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### Chapter 1: Mayor's Foreword and Executive Summary

### Component A: Mayor's Foreword



It is always a daunting task to provide a complete account on the responsibilities conferred upon us by the electorate. Most significantly, we do so being quite conscious of the fact that the general public deserves its rightful place at the apex of the 'accountability chain'. In presenting this Annual Report, George Municipality sets out the performance highlights and financial management for the 2012/2013 financial year. As the sphere of government close to the people, we will always be evaluated as to our ability to meet the growing needs of our residents through rendering quality services, promoting economic development, fiscal discipline, ensuring that we govern effectively and facilitating the growth of our city.

The Annual Report is an account of how we have taken up the challenge to grow George, to effectively engage our community and develop partnerships with our business sector, academia and civil society. It attests to the collective efforts of the political and administrative arms of the Municipality to progressively address the ever increasing expectations of our people and also reflects the political stability and decisive leadership within the organisation.

The consecutive receipt of a clean audit report year-after-year from the Office of the Auditor General testifies to the efforts and advances that this administration has made in the first and second year of the current council's term of office.

It will of course remain true for some time to come that the challenges of poverty, underdevelopment and the historical legacy of neglect will remain with us beyond the term of office of any elected political office-bearer or top management official. This clearly qualifies the fact that 'development is not an event but a process' which requires multiple resources and effective leadership.

I remain committed to working together with my Mayoral Committee, the whole Council and the Municipal Administration in realising our vision and making a difference in the lives of all who live in George.

C STANDERS

Standers

**EXECUTIVE MAYOR** 



### Component B: Executive Summary

### 1.1 Municipal Manager's Overview



This Annual Report captures George Municipality's strategic focus, provides an overview on its performance and sets out Council's financial position for the 2012/2013 financial year.

Blessed as we are with an environment of great natural beauty and significant resources, there is every reason to be positive about the long-term prospects of our city. However, there remains a lot of work to do to ensure that George earns and maintains its rightful place amongst the cities of the world.

Managing and running a city of George's size is a formidable undertaking, requiring a budget of millions of rands and technically equipped members of staff (and where necessary, service providers). Through their combined efforts, they have to ensure that all residents have adequate clean water and sanitation; that they have electricity to light their homes; that the solid waste generated within the municipal jurisdiction is safely disposed of; that the roads are maintained and adequate public transport is provided; that storm water is safely channeled; that all citizens have access to adequate housing; that emergencies can be dealt with rapidly and effectively, and the health of all its citizens is protected and improved.

Our main focus is on better service delivery through the alignment of call centre functions and contact centres, the implementation of the Economic Revitalisation Policy and its related investment incentives, increased focus on implementation of EPWP and job creation, ensuring quality execution of all housing projects, and so the list continues.

One of the main challenges faced during the year was the balancing of the budget, with a slowdown in revenue collection due to increasing tariffs, as well as the burden of debt weighing heavily on the municipality as a whole. This challenge was professionally approached, and admirably managed, with strict financial management, increased oversight in terms of expenditure and a very cautious approach to further capital commitments. The year saw the first steps taken to rectify a potentially precarious long term position, and place the municipality on a path of financial sustainability. This was achieved without compromising the high levels of basic service delivery.

This Annual Report outlines the details of the various programmes managed by the Directorates of George Municipality and how we have performed towards meeting the set targets. We firmly believe that we are on track towards meeting the growth and development targets of the Municipality in the context of a developmental state.

On behalf of George Municipality's Management, we wish to express our profound appreciation to the Political leadership and the opportunity that they have given to us to serve the people of George. The staff of the George Municipality continues to put in every effort to ensure our organisation implements its mandate effectively and



that we, individually and collectively, are able to contribute to making a difference in the quality of life in our communities.

TREVOR BOTHA

MUNICIPAL MANAGER

18-1





### 1.2 Municipal Functions, Population and Environmental Overview

This report addresses the performance of the George Municipality in the Western Cape in respect of its core legislative obligations. Local government must create the participatory framework that defines and enhances the relationship between elected leaders and their communities. This requires that the council of the municipality provides regular and predictable reporting on programme performance and the general state of affairs in their locality.

The 2012/13 Annual Report reflects on the performance of the George Municipality for the period 1 July 2012 to 30 June 2013. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), in terms of which the Municipality must prepare an Annual Report for each financial year.

#### 1.2.1 Vision and Mission

The George Municipality committed itself to the vision and mission of:

#### Vísion:

"George strives to be the best medium sized city in the Country using all available resources sustainably to the benefit of the community in a growing and a thriving city."

#### Mission:

"To provide affordable high quality services through effective governance, administration and fiscal discipline facilitating an environment that is conducive to economic growth and opportunities for all residents whilst ensuring the protection of our natural resources in a sustainable manner to provide a quality living environment for all"

### 1.2.2 Demographic Information

#### a) Municipal Geographical Information

About 2,000 years ago the San people moved south toward the present Western Cape Province. The area where George is situated is known today as Outeniqua Land. The word "Outeniqua" is derived from a Khoi word which means: "man laden with (or carrying bags of) honey". It is a place not only richly bestowed with natural beauty, but also well known for unparalleled growth and development.

The French traveller and writer, Francois le Valiant described the area as follows during his visit in the 17th century:

"Bloemrijke velden en de Schoonste weiden zetteden dit heerlijk landschap nog meerder luister bij. Ik was waarlijk opgetogen van Verrukking..."

The second drostdy to be established, in 1811, after the British occupation of the Cape, George was named after King George III of England. In 1837 George gained municipal status and by 1907 was linked by rail to Cape Town

# GEORGE THE CITY FOR ALL REASONS

### Annual Report 2012/13

Now a day's George, the City, forms the administrative hub of the world-renowned Garden Route area. George is nestled below the magnificent Outeniqua Mountains. The wide expanse of forests, the blend of mountains, rivers and rich farmlands in close proximity to the sweeping coastline of the Indian Ocean and its glorious beaches make George a unique Southern Cape Town. George enjoys a mild climate, with a small difference between the minimum and maximum temperatures. The average annual rainfall of 850 mm is spread throughout the year. An excellent system of highways and national roads link George to Cape Town, 420 km away, and Port Elizabeth - a mere 320 km to the east. The area is relatively crime free compared to other towns of similar size in the Country and has a well educated work force.

The municipal area is 1,069km<sup>2</sup> in extent and is situated approximately half way between Cape Town and Port Elizabeth. The municipal area includes the following:

- The town George;
- The villages of Uniondale, Haarlem, Wilderness and Herold's Bay;
- Various coastal resorts such as Kleinkrantz, Victoria Bay and the wilderness National Park;

Rural areas such as the area around Rondevlei, (east of Wilderness), Geelhoutboom, Herold, Hansmoeskraal and Waboomskraal.

#### Wards

The Municipality is currently structured into the following 25 Wards:

WARD	AREAS
1	Blanco
2	Denneoord, Fernridge, Bo-dorp, Camphersdrift
3	Heather Park, Heatherlands
4	Wilderness, Kleinkrantz, Touwsranten, Hoekwil, Glenwood
5	Le Vallia, Loerie Park, Tweerivieren, Panorama
6	Rosemoor, Protea Park, Urbanville, Convent Gardens
7	Lawaaikamp, Maraiskamp
8	Parkdene, Ballotsview
9	Thembalethu
10	Thembalethu
11	Thembalethu
12	Thembalethu
13	Thembalethu
14	Erf 325, Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat
15	Thembalethu
16	New Dawn Park
17	Conville
18	Loeriepark, Tweerivieren, George Park



WARD	AREAS
19	George – Central, George – South, Dolmelsdrift, King George
20	Borchards
21	Thembalethu
22	Landelike Gebiede, Diepkloof, Sinksabrug, Waboomskraal, Herold, Geelhoutboom, Bo-Dorp, Camphersdrift
23	Delville Park, Groenewyde Park, Herolds Bay, Hoogekraal, Buffelsfontein, Oubaai, Rooirivierrif, Bos & Dal
24	Haarlem, Avontuur, Ongelegen
25	Uniondale, Esseljag, Rooirivier

#### Below is a map of the Municipal area:

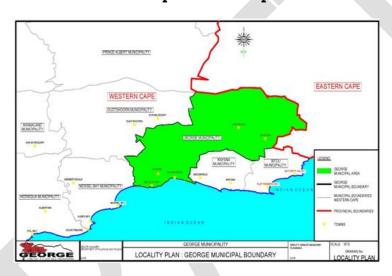


Figure 1: Locality map

#### b) Total Population

Eden District's total population is 574 265, representing 9.8% of the Western Cape Province total population of 5 822 734 million. George municipality has the largest population in the Eden District, the population was estimated at 193 672 in the 2011 census, which represents a growth of 29.1% from 2001-2011.

The table below indicates the total population within the municipal area:

2001	2011	
150 003	193 672	
Source: Census 2001 & 2011		

Table 1: Demographic information of the municipal area – Total population

#### c) Households

In 2011, 53 551 households were living within the George municipal area. StatsSA defines a household 'as a group of persons who live together and provide themselves a jointly with food or other essentials for living, or a single person



who lives alone.' The size cohort with highest number of households is where the number of people living together is not more than 2 persons; it represents 24.8% of households. Nearly 19% of households consist of a single person.

HH size	1	2	3	4	5	6	7	8	9	10+	Total
No. of HH's	10 171	13 295	8 648	8 730	5 510	3 189	1 702	1 014	532	760	53 551
Source: Census 2011											

Table 2: Households numbers

Households	2011/12	2011	
Number of households in municipal area	46 428 *	53 551**	
Number of indigent households in municipal area	16 357	15 626	
Percentage of indigent households in municipal area	35.2%	29.2%	
Source: *SatsSA community survey 2007; **Census 2011			

Table 3: Total number of households

The total number of indigent households decreased from 16 357 in 2011/12 to 15 626 in the 2012/13 financial year.

### d) Key Economic Activities

The table below indicates the percentage contribution to the Gross Value Added (GVA) per economic sector:

Economic Sector	% contribution to GVA
Finance, insurance, real estate and business services	24.84
Wholesale and retail trade, catering and accom	16.06
Manufacturing	13.89
General government	12.81
Transport, storage and communication	12.59
Construction	8.67
Community, social and personal services	5.96
Agriculture, forestry and fishing	3.09
Electricity, gas and water	1.84
Mining and quarrying	0.25

Table 4: Key Economic Activities

### 1.2.3 Municipal Highlights

Highlight	Description		
GIPTN	As a joint initiative with the Western Cape Provincial Government and the municipality to procure PTI and PTNO grant funding on the 2013/14 MTEF from National Treasury to implement the GIPTN		
MIG Spending	100% of MIG funding was spent		



Highlight	Description	
Bulk Services to Areas 4 A,C & B	Provision of bulk services in time to ensure basic water and sanitation can be provided to the new Thembalethu UISP project with severe time limitations	
Clean Audit	Clean Audit for 2011/12	

Table 5: Municipal Highlights

### 1.2.4 Municipal Challenges

The following general challenges are experienced by the Municipality:

Challenge	Description
Asset Management	Maintenance of existing infrastructure requiring funding and personnel capacity
Capacity constraints	Shortage of personnel to fulfil essential services functions must be addresed by focusing on core functions and prioritising skills needs
GIPTN	Implementation of a public transport service as an additional municipal service without this function being included in the macro and micro structure
Provision of Bulk Services to accommodate the low cost housing projects planned and being implemented	Bulk services required to accommodate the low cost housing projects being planned and implemented without adequate funding to cover the cost
Funding of capital budget	<ul> <li>Budget provision for contributions to CRR</li> <li>Increase spending on repairs and maintenance of income generating assets</li> <li>Consideration of loan funding for the provision of services (external vs. internal funds)</li> <li>Sourcing of surplus housing funds for the provision of infrastructure development needed for formal housing development.</li> </ul>
Cost reflective tariffs	The revision of all service tariffs
Local economic position	To be considered within all municipal planning (Long term financial plan)
Debtors payment rate within the current economic climate	• Ample provision for the impairment of debtors
	Strict adherence to council credit and debt collection policy
Revenue enhancement	
Revenue enhancement  Data cleaning	policy
	policy  Tender has been placed for this project  Revenue Expenditure Payroll
Data cleaning  Upgrade of IT systems (Intranet & Internet, website,	policy  Tender has been placed for this project  Revenue Expenditure Payroll Assets  To be considered in future budgets.
Data cleaning  Upgrade of IT systems (Intranet & Internet, website, network)  Potential mismatch between high level provincial broadband strategy and actual IT capacity within	policy  Tender has been placed for this project  Revenue Expenditure Payroll Assets  To be considered in future budgets. Additional funding to be sourced



Challenge	Description
	◆ LED  ◆ Social upliftment  ◆ Policing
Financial viability	Project plan compiled to investigate expenditure management, which include the following: Contracted services Overtime Security Telephone systems Leasing of vehicles plus monitoring thereof Contract workers
Predetermined Objectives SDBIP IDP linked to risk assessment Annual Performance Report	<ul> <li>Ongoing improvement of PDO's development and quality improvement.</li> <li>Risk assessments to be submitted with draft IDP to the budget committee for consideration.</li> <li>Continuous improvement of performance reporting.</li> </ul>
Assurance Functions  ERM – Risk appetite  ERM - Capacitating  Internal Audit co-sourced function	<ul> <li>Report to Risk Management Committee to be approved by Council.</li> <li>Staff establishment to be extended.</li> <li>Tender closed on 25 September 2013. SLA to be negotiated with preferred service provider.</li> </ul>
Subsidy Quantum  George and the Southern Cape have a major problem with the present subsidy quantum for housing projects. The problem is that tender prices for the current housing projects are at least R20 000.00 per house more than the available subsidy.	<ul> <li>Matter to be raised with SALGA, the Provincial and National Department of Human Settlements.</li> <li>MINMEC needs to take a decision on this matter.</li> </ul>
Problem with Ownership in Thembalethu  There is a major problem in the Thembalethu area as many of the subsidy houses are registered in the name of the approved beneficiary, but someone else has been living there from the completion date of the house. This is a historic project in which the Municipality had no involvement. The project was managed by Province in collaboration with private developers. Funds are needed to address this problem.	A comprehensive report has been submitted to the Provincial Human Settlements department regarding this matter. Their response is awaited.
Acceleration: Provision of Serviced sites The provision of serviced sites and emergency shelter need to be fast-tracked.	The George Municipal Council granted approval for the provision of 500 serviced emergency sites, which will commence shortly. A portion of the land is earmarked for emergency housing. Ministerial approval has been obtained to utilise the Separate Operating Account (SOA) to fund the project.
Waiting list The last number of years many complaints were received in respect of the waiting list and the subsequent allocation of housing opportunities.	<ul> <li>◆ A new Provincial Electronic Housing Demand Database System is in place.</li> <li>◆ George Municipality is the front runner in the Province in utilising this new system.</li> </ul>
Response to Disasters  The normal practice is to respond to e.g. flood victims after a storm/disaster has occurred. Gunplast DPC had to be issued each time a disaster occurred.	George has started with a proactive campaign by repairing all damaged structures in informal settlements prior to the occurrence of flood disasters. This initiative has proven to be more cost effective and beneficial to the disaster stricken families.
Funding public Transport System for George	Application for more funding to National Transport
Municipal Infrastructure  ◆ Water Resources	Application to DWA in 2008. Still awaiting response. Roll over of RBIG the result



Challenge	Description
◆Licencing of Raising of Garden Route Dam Spillway	
Municipal Infrastructure	
<ul> <li>Water and Waste Water Infrastructure</li> <li>Vandalism and theft at pump stations a major problem</li> </ul>	New methods of security investigated.

Table 6: Municipal Challenges

## 1.3 Service Delivery Overview

### 1.3.1 Basic services delivery Performance highlights

Highlight	Description	
World class service levels provided	Provision of world class level of service with concerning funding and personnel capacitants shortages	
Blue Drop	<ul> <li>2009 100%; Award for Excellence. Position not indicated</li> <li>2010 5th; Award for Excellent Drinking Water Quality Management</li> <li>2011 7th; 96%</li> <li>2012 7th; 98,12%; Best Blue Drop Team in SA; Platinum Status George.</li> </ul>	
Green drop	<ul> <li>2009 Award for Excellence. Position not indicated</li> <li>2010 Awarded Green Drop Status; Position and percentage not provided. Award for Excellence for Kleinkrantz Waste Water Works</li> <li>2011 4th in SA</li> </ul>	
GIPTN	<ul> <li>Securing PTI and PTNO grant funding. This is a first for a city outside of the 12 metro's and large cities and the first B Municipality</li> </ul>	

Table 7: Basic Services Delivery Highlights

### 1.3.2 Basic services delivery challenges

Service Area	Challenge	Description
Housing	Provision of sufficient housing to meet backlog	Bulk infrastructure funding required to ensure housing delivery is not delayed because water and sanitation cannot be provided on time
Roads and stormwater	Sufficient funding to adequately address maintenance and rebuilding programme	Sufficient funding required to maintain infrastructure
Disaster Management	No Disaster management officer     Disaster risk assessment	<ul> <li>Post been included in 2013/2014         Budget     </li> <li>Disaster Management plan is in place and are the responsibility of Emergency Services</li> <li>Assessment needs to be done</li> </ul>
MFMA Compliance and Capacity Building	Monitoring MFMA compliance	In process of implementing Ignite compliance and performance management tool kit Compliance monitor with MFMA implementation plan
GRAP Compliant AFS	<ul> <li>New GRAP standard have been implemented and will be disclosed in AFS as required.</li> </ul>	<ul> <li>Training received from NT and support from external service provider</li> </ul>



Service Area	Challenge	Description
	<ul> <li>Audit file compiled for the financial year</li> <li>Audit monitoring tool is applied to ensure compliance</li> <li>AFS year-end plan is followed</li> </ul>	<ul> <li>Audit file updated monthly.</li> <li>All findings as given in AG's management report were reviewed and necessary action taken.</li> <li>First draft AFS submitted to Audit Committee and Management on 16 August 2013.</li> <li>Final AFS submitted to AG on 30 August 2013</li> </ul>
Assurance Functions Enterprise Risk Management (ERM) Risk Management Committee Internal Audit Audit Committee	<ul> <li>ERM capacitating.</li> <li>Committee established.</li> <li>Follow-up on internal audit reports.</li> <li>Audit Committee Charter.</li> </ul>	<ul> <li>Risk champions appointed in all directorates.</li> <li>TOR finalised.</li> <li>Centralised report system implemented.</li> <li>Charter aligned with MFMA circular 65 and approved by Council.</li> </ul>
Legal and Policy Management	<ul> <li>Transfer of municipal housing to beneficiaries</li> <li>Transfer of municipal erven within private development</li> <li>Transfer of disestablished municipal entities property to George Municipality</li> <li>Sale of servitudes and road reserves not required for service delivery</li> <li>Tariffs applicable to By-Laws have not been endorsed</li> </ul>	<ul> <li>Appointment of conveyance attorneys</li> <li>Appointment of conveyance attorneys</li> <li>To use state attorney for the transfer</li> <li>Necessary internal report to be compiled for consideration by council</li> <li>Tariffs have been approved</li> </ul>
Accounting and GRAP	<ul> <li>Internal capacity required for the compilation of GRAP compliant accounts and AFS.</li> <li>Accounting for top structures (housing)</li> <li>Accounting for GIPTN (asset and operating)</li> <li>Transport fund (GIPTN)</li> </ul>	<ul> <li>Appointment of internal capacity</li> <li>Input from PT</li> <li>Input to be obtained from City of CT, NT &amp; PT</li> <li>Input to be obtained from City of CT, NT &amp; PT</li> </ul>
IT Controls	IT clean audit monitoring tool which includes the following: Revenue Expenditure Payroll Assets	The tool is used ensure that we receive a clean audit for IT controls within this organisation
Institutional Governance	Marco structure	Review structure and appoint service provider
Integrated Service Delivery	<ul> <li>Electrification funding</li> <li>Informal areas.</li> <li>supply of electricity to back-yard dwellings and farm workers houses</li> </ul>	<ul> <li>Bridging funding has been approved.</li> <li>SALGA workshop was held relating to the supply of electricity to backyard dwellings and farm workers houses.</li> </ul>
Municipal Infrastructure	<ul> <li>Licencing of Raising of Garden Route Dam Spillway</li> <li>Vandalism and theft at pump stations a major problem</li> </ul>	<ul> <li>Application to DWA in 2008. Still awaiting response. Roll over of RBIG the result</li> <li>New methods of security investigated.</li> </ul>
New methods of security investigated.	Bulk supply to Thembalethu	R6mil DoE grant for UISP project in Thembalethu



Service Area	Challenge	Description
	<ul> <li>Theft and vandalism of municipal infrastructure</li> <li>Repairs to vandalised equipment instead of doing important maintenance.</li> </ul>	<ul> <li>Study in what is required to install temporary electricity to informal houses is underway</li> <li>The mayor has issued a statement regarding addressing the vandalism and theft</li> </ul>
Disaster Management	<ul> <li>Appointment of Disaster management officer</li> <li>Disaster risk assessment</li> </ul>	In process     Assessment needs to be done

Table 8: Basic Services Delivery Challenges

### 1.4 Financial Health Overview

### 1.4.1 Financial Viability Highlights

Highlight	Description	
Revenue enhancement	Tender called for service provider and internal revision of tariffs	
Improved budget control to enhance financial viability	Internal controls improved and investigation into overtime, security and contracted services	

Table 9: Financial Viability Highlights

### 1.4.2 Financial Viability Challenges

Challenge	Action to address
Tariff decentralisation to ensure cost reflective tariffs	Investigate and review tariffs
Cash position	Proper debt collection processes
Funded budget	Surplus cash needed to finance capital program of Council (CRR)

Table 10: Financial Viability Challenges

### 1.4.3 National Key Performance Indicators — Municipal Financial Viability and Management (Ratios)

The following table indicates the municipality's performance in terms of the **National Key Performance Indicators** required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA.

These key performance indicators are linked to the National Key Performance Area namely Municipal Financial Viability and Management.

KPA & Indicator	2011/12	2012/13
Debt coverage ((Total operating revenue-operating grants received):debt service payments due within the year)	4.52 times	5.05 times
Service debtors to revenue – (Total outstanding service debtors: revenue received for services)	13%	10%
Cost coverage ((Available cash+ investments): Monthly fixed operating expenditure	3.46	3.03

Table 11: National KPI's for financial viability and management

#### 1.4.4 Financial Overview

Details	Original budget	Adjustment Budget	Actual
Details	R'000		
Income			
Grants(Operating + Capital)	243 280	278 659	232 516
Taxes, Levies and tariffs	732 128	731 880	730 643
Other	67 211	73 467	73 219
Sub Total	1 042 619	1 084 006	1 036 378
Less Expenditure	983 290	1 019 256	1 005 269
Net surplus/(deficit)	59 329	64 750	31 109

Table 12: Financial Overview

### 1.4.5 Operating Ratios

Detail	Expected norm	Actual	% Variance
Employee Cost	30%	28%	-2
Repairs & Maintenance	20%	7%	-13
Finance Charges & Depreciation	10%	9%	-1

Table 13: Operating ratios

Employee cost is 2 % lower than the norm of 30% which represents a positive outcome. Repairs and maintenance are also 13% below the norm of 20% which indicates that expenditure on repairs and maintenance would have to be increased in future budgets to properly maintain Council's assets. Finance charges and depreciation are 1% less than the norm of 10%, this can mainly be attributed to the higher depreciation generated as a result of the componentisation of infrastructure assets in terms of GRAP.

# 1.5 Organisational Development Overview

# 1.5.1 Municipal Transformation and Organisational Development Highlights

Highlight	Description
Electronic Leave System	Implementation of an Electronic Leave System

Table 14: Municipal Transformation and Organisational Development Highlights

### 1.5.2 Municipal Transformation and Organisational Development Challenges

Challenge	Actions to address
Capacity constraints	Shortage of personnel to fulfil essential services functions must be addresed by focusing on core functions and prioritising skills needs

 Table 15: Municipal Transformation and Organisational Development Challenges

### 1.6 Audited Outcomes

Year	2008/09	2009/10	2010/11	2011/12	2012/13
Status	Adverse	Unqualified	Unqualified	Clean Audit	Clean Audit

Table 16: Audit Outcomes



### **CHAPTER 2: Governance**

Good governance has 8 major characteristics. It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

### National Key Performance Indicators - Good Governance and Public Participation

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations 796 of 2001 and section 43 of the MSA. This key performance indicator is linked to the National Key Performance Area - Good Governance and Public Participation.

Indicator	Municipal Achievement 2011/12	Municipal Achievement 2012/13
The percentage of a municipality's <b>capital budget</b> actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan	82	78

Table 17: National KPIs - Good Governance and Public Participation Performance

### Component A: Political and Administrative Governance

#### 2.1 Political Governance Structure

The council performs both legislative and executive functions. It focuses on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Its primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as policy makers, Councillors are also actively involved in community work and the various social programmes in the municipal area.

#### a) Council

Below is a table that categorised the councillors within their specific political parties and wards:

Name of councillor	Capacity	Political Party	Ward representing or proportional
Charles Standers	Executive Mayor	DA	Ward 8
Daniel Maritz	Executive Deputy Mayor	DA	Ward 17
Mercia Draghoender	Speaker	DA	Ward 20
Philippus Hendrik De Swardt	Chief Whip	DA	Ward 22



Name of councillor	Capacity	Political Party	Ward representing or proportional
Jurie Bezuidenhout	Mayoral committee member	DA	PR
Bevin Andre Fortuin	Mayoral committee member (until 31 May 2013)	DA	Ward 1
Wilbert Terence Harris	Mayoral committee member	COPE	PR
Henry Johannes Jones	Mayoral committee member	DA	Ward 16
Iona Christina Kritzinger	Mayoral committee member	DA	Ward 19
Jacoba Jacomina Muller	Mayoral committee member (until 27 March 2013)	DA	Ward 6
Gideon Johannes Stander	Mayoral committee member	DA	Ward 23
Isaya Stemela	Mayoral committee member	DA	PR
Leon David Van Wyk	Mayoral committee member	DA	Ward 4
Charlie Bob	Councillor	ANC	PR
Theunis Jacobus Botha	Councillor (until 08 March 2013)	DA	PR
Belrina Magdalena Cornelius	Councillor	DA	PR
Erasmus Petrus De Villiers	Councillor	DA	Ward 3
Nomamse Noxolo Elizabeth Dlephu	Councillor	DA	PR
Johan Du Toit	Councillor	ACDP	PR
Lionel Bertram Charles Esau	Councillor	DA	Ward 5
Teresa Fortuin	Councillor	ANC	PR
Virgil Gericke	Councillor	PBI	PR
Mzwandile Daliwonga Gingcana	Councillor	ANC	Ward 10
Fanele Stanley Guga	Councillor	ANC	Ward 15
Freddie Harris	Councillor (until 25 June 2013)	ICOSA	PR
Leslie Stephen Hayward	Councillor	GIRF	PR
Hendrik Hermanus Ingo	Councillor (from 22 May 2013)	DA	Ward 6
Nontsikelo Frieda Kamte	Councillor	ANC	Ward 11
Marchell Elton Frederick Kleynhans	Councillor	DA	Ward 25
Nomsa Violet Kom Councillor		ANC	PR
Princess Bulelwa Komani Councillor		ANC	PR
Phomulang Simon Leholo	Councillor	ANC	PR
Rosina Lombaard	Councillor (from 26 June 2013)	ICOSA	PR
Gert Macclune	Councillor	DA	PR
Sydney Mpumelelo Mekana	Councillor	DA	PR



Name of councillor	Capacity	Political Party	Ward representing or proportional
Christiaan Neethling	Councillor	DA	Ward 2
Gert Cornelius Niehaus	Councillor	DA	Ward 18
Franklin Zolile Ntozini	Councillor	ANC	Ward 7
Cynthia Magdalene Papah	Councillor (until 26 April 2013)	DA	Ward 14
Bazil Petrus	Alderman	ANC	PR
Ludwe Ncibane Qupe	Councillor	DA	PR
Busisiwe Salmani	Councillor	ANC	Ward 13
Guilford Mbuyiseli Yuletide Sihoyiya	Councillor	ANC	PR
Glenys Nomawethu Sixolo	Councillor	ANC	Ward 12
Tobeka Teyisi	Councillor	ANC	Ward 9
Julia Suliwe Thanda	Councillor	ANC	Ward 21
Pieter Jacobus Van Der Hoven	Councillor	ANC	PR
Aletta Johanna Van Zyl	Councillor	DA	PR
Alex Mattheus Wildeman	Councillor	ANC	Ward 24
Charlie Thamsaqa Williams	Alderman	ANC	PR
Wilena Witbooi	Councillor	ANC	PR

Table 18: Council 2012/13

Below is a table which indicates the Council meetings attendance for the 2012/13 financial year:

Meeting dates	Number of items (resolutions) submitted
25 July 2012	6
28 August 2012	29
26 September 2012	9
24 October 2012	16
28 November 2012	20
30 January 2013	21
27 February 2013	8
27 February 2013 (Special)	1
20 March 2013	11
28 March 2013 (Special)	3
25 April 2013	17
29 May 2013 (Special)	2
19 June 2013	27

Table 19: Council meetings



### b) Executive Mayoral Committee

The Executive Mayor of the Municipality, **Alderman Charles Standers**, assisted by the Mayoral Committee, heads the executive arm of the Municipality. The Executive Mayor is at the centre of the system of governance, since executive powers are vested in him to manage the day-to-day affairs. This means that he has an overarching strategic and political responsibility. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, and as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the Municipality, the Executive Mayor operates in concert with the Mayoral Committee.

The name and portfolio of each Member of the Mayoral Committee is listed in the table below for the period 1 July 2012 to 30 June 2013:

Name of member	Capacity
Charles Standers	Executive Mayor
Daniel Maritz	Executive Deputy Mayor And Portfolio Councillor For Human Resources
Jurie Bezuidenhout	Portfolio Councillor For Civil Engineering Services
Bevin Fortuin (until 31 May 2013]	Portfolio Councillor For Environmental Affairs And Sport
Wilbert Harris	Portfolio Councillor For Electro-Technical Services
Henry Jones	Portfolio Councillor For Human Settlements
Iona Kritzinger	Portfolio Councillor For Community Safety
Jacoba Muller (until 27 March 2013)	Portfolio Councillor For Social Services
Gideon Stander	Portfolio Councillor For Planning
Isaya Stemela	Portfolio Councillor For Corporate Services
Leon Van Wyk	Portfolio Councillor For Finance

Table 20: Executive Mayor-in-Committee 2012/13

The table below indicates the dates of the Executive Mayor-in-Committee meetings and the number of reports submitted to Council for the 2012/13 financial year:

Meeting date	Number of items submitted
20 July 2012	21
15 August 2012	14
22 August 2012 (Special)	2
5 September 2012	4
19 September 2012	9
10 October 2012	10
17 October 2012 (Special)	2
31 October 2012	13
21 November 2012	17
17 January 2013	10



Meeting date	Number of items submitted
13 February 2013	3
13 March 2013	19
8 April 2013 (Special)	0
17 April 2013	13
8 May 2013	16
15 May 2013 (Special)	3
5 June 2013	10

Table 21: Committee Meetings

#### c) Portfolio Committees

In terms of section 80 of the Municipal Structures Act, 1998, if a council has an executive committee; it may appoint in terms of section 79 committees of councillors to assist the executive committee or executive mayor. Section 80 committees are permanent committees that specialise in a specific functional area of the municipality and may in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to Council.

The portfolio committees for the 2012/13 Mayoral term and their Chairpersons are as follow:

#### i) Human Resources Portfolio Committee

Name of member	Meeting Dates
D Maritz	
E De Villiers	
J Du Toit	17 July 2012
L Esau	12 September 2012
T Fortuin	17 October 2012
F Guga	29 November 2012
I Kritzinger [FROM 25 APRIL 2013]	5 March 2013 15 April 2013
JJ Muller (until 25 April 2013)	7 May 2013
G Niehaus	4 June 2013.
L Qupe	
I Stemela	

Table 22: Human Resources Portfolio Committee 2012/13

#### ii) Civil Engineering Services Portfolio Committee:

Name of member	Meeting Dates
S J Bezuidenhout (Chairperson)	17 October 2012



Name of member	Meeting Dates
H J Jones (Deputy Chairperson)	13 November 2012
B M Cornelius (until 25 April 2013)	29 January 2013
	19 February 2013
N N E Dlephu	16 April 2013
T Fortuin (from 25 April 2013)	14 May 2013
F Harris	11 June 2013
W T Harris	
M E F Kleynhans	
D Maritz	
G M Y Sihoyiya	
M Viljoen (from 25 April 2013)	
W Witbooi (until 25 April 2013	

Table 23: Civil Engineering Services Portfolio Committee 2012/13

### iii) Environmental Affairs and Sport Portfolio Committee:

Name of member	Meeting Dates
B Fortuin (until 31 May 2013)	
W Harris	
T Botha (until 4 April 2013)	19 July 2012
N Dlephu	23 August 2012
	27 September 2012
V Gericke (from 25 April 2013)	29 october 2012
D Maritz (from 25 April 2013)	21 November 2012
G Macclune	31 January 2013
Thanda	28 February 2013
	27 March 2013
L Van Wyk	16 April 2013
A Van Zyl	12 June 2013
M Viljoen (from 25 April 2013)	
A Wildeman	

 Table 24: Environmental Affairs and Sport Portfolio Committee 2012/13

### iv) Electro-technical Services Portfolio Committee:

Name of member	Meeting Dates
W T Harris (Chairperson)	21 August 2012
S J Bezuidenhout (Deputy Chairperson)	16 October 2012
T J Botha (until 25 April 2013)	06 November 2012
***************************************	15 January 2013
N N E Dlephu	05 March 2013
V Gericke (from 25 April 2013)	15 April 2013



Name of member	Meeting Dates
M D Gingcana	07 May 2013
H J Jones	04 June 2013
N F Kamte	
M E F Kleynhans	
L N Qupe	
M Viljoen (from 25 April 2013)	

Table 25: Electro-technical Services Portfolio Committee 2012/13

### v) Human Settlements Portfolio Committee:

Name of member	Meeting Dates
H J Jones (Chairperson)	
G J Stander (Deputy Chairperson)	
C Bob  B M Cornelius (from 25 April 2013	19 July 2012 23 August 2012
P De Swardt	25 October 2012
F Harris	22 November 2012 24 January 2013
H H Ingo (from 19 June 2013)	21 February 2013
S M Mekana (until 25 April 2013)	14 March 2013
J J Muller (until 25 April 2013)	18 April 2013
G Niehaus (from 25 April 2013)	16 May 2013
C M Papah (until 25 April 2013)	13 June 2013
B Petrus	
I Stemela (from 25 April 2013)	

Table 26: Housing Portfolio Committee 2012/13

### vi) Community Safety Portfolio Committee:

Name of member	Meeting Dates
I Kritzinger	
G Niehaus S Bezuidenhout	23 August 2012 18 September 2012
De Villiers (from 25 April 2013) Ortuin (until May 2013)	20 November 2012 29 January 2013 19 February 2013
S Mekana	12 March 2013 23 April 2013
C Neethling C Papah (until April 2013)	23 May 2013 11 June 2013
B Salmani	



Name of member	Meeting Dates
P Van Der Hoven	

Table 27: Community Safety Portfolio Committee for 2012/13

#### vii) Social Services Portfolio Committee:

Name of member	Meeting Dates
JJ Muller (until 21 May 2013)	
C Papah (until 26 April 2013	
B Fortuin (from 25 April 2013)	
B Cornelius	
J Du Toit	17 July 2012
H Ingo (from 19 June 2013)	14 August 2012 11 September 2012
I Kritzinger (from 25 April 2013)	16 October 2012
M Kleynhans	13 November 2012
P Leholo	29 January 2013
G Macclune	19 February 2013 11 June 2013
S Mekana (from 25 April 2013)	
G Sixolo	
I Stemela	
L Van Wyk (until 25 April 2013)	

Table 28: Social Services Portfolio Committee 2012/13

### viii) Planning Portfolio Committee:

Name of member	Meeting Dates
G Stander	
D Maritz	
C Bob	26 July 2012
T Botha (until 04 April 2013)	30 August 2012
B Cornelius	27 September 2012
	18 October 2012
P H De Swardt (from 25 Arpil 2013)	31 January 2013
F Harris (until June 2013)	28 February 2013
W Harris	19 March 2013
	- 30 April 2013
H Jones	30 May 2013
M Kleynhans (from 25 April 2013)	20 June 2013
N Kom	
JJ Muller (until 21 May 2013)	

Table 29: Planning Portfolio Committee 2012/13

#### ix) Corporate Services Portfolio Committee:

Name of member	Meeting Dates
I Stemela (Chairperson)	
E P De Villiers (Deputy Chairperson) (from 25 April 2013)	
JJ Muller (Deputy Chairperson) (until 25 April 2013)	
T J Botha (until 25 April 2013)	
M Draghoender (until 25 April 2013)	14 August 2012
L S Hayward	06 September 2012 23 January 2013
D Maritz	15 May 2013
F Z Ntozini	
T Teyisi	
A J Van Zyl	
M Viljoen (from 25 April 2013)	

Table 30: Corporate Services Portfolio Committee 2012/13

#### x) Finance Portfolio Committee:

Name of member	Meeting Dates
L Van Wyk	
P De Swardt	21 August 2012
B Cornelius	18 September 2012
M Draghoender (until 25 April 2013)	30 October 2012
M Diagnoender (until 25 April 2015)	20 November 2012
W Harris	23 January 2013
I Kritzinger	20 February 2013
D Maritz	26 March 2013
	29 April 2013
I Stemela (from 25 April 2013)	30 May 2013
P Van Der Hoven	20 June 2013
C Williams	

Table 31: Finance Portfolio Committee 2012/13

# 2.2 Administrative Governance Structure

The Municipal Manager is the Chief Accounting Officer of the Municipality. He is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team, whose structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		(Yes/No)
Mr T Botha	Municipal Manager	Yes
Mr A Smith (1 July 2012 to 30 November 2012	Director: Environmental Affairs	Yes
Mr A Smith (1 December 2012 to 30 June 2013)	Director: Community Services	Yes
Mr H Basson	Director: Civil Engineering Services	Yes
Mr S Erasmus	Director: Planning and Housing	Yes
Mr K Jordaan	Director: Financial Services	Yes
Mr K Grunewald	Director: Electro-Technical Services	Yes
Mr W Hendricks (1 September to 31 January 2013)	Acting Director: Corporate & Social Services	No
Mr B Nelson (1 July to 30 November 2012)	Acting Director: Community Safety Services	No
Dr EM Rankwana (2 April to 30 June 2013)	Director: Corporate Services	Yes

Table 32: Administrative Governance Structure

# Component B: Public Accountability

MSA S15 (b): requires a municipality to establish and organize its administration to facilitate and a culture of accountability amongst its staff. S16 (i): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. S18 (i) (d): requires a municipality to supply its community with information concerning municipal governance, management and development.

Such participation is required in terms of:

- the preparation, implementation and review of the IDP;
- establishment, implementation and review of the performance management system;
- monitoring and review of the performance, including the outcomes and impact of such performance; and
- Preparation of the municipal budget.

#### 2.3 Ward Committees

The purpose of a ward committee is:

- to get better participation from the community to inform council decisions;
- to make sure that there is more effective communication between the council and the community; and
- to assist the ward councillor with consultation and report-backs to the community.

Ward committees should be elected by the community they serve. A ward committee may not have more than 10 members and women should be well represented. The ward councillor serves on the ward committee and act as



the chairperson. Although ward committees have no formal powers, they advise the ward councillor who makes specific submissions directly to the council. These committees play a very important role in the development and annual revision of the integrated development plan of the area.

The ward committees support the Ward Councillor who receives reports on development, participate in development planning processes, and facilitate wider community participation. To this end, the municipality constantly strives to ensure that all ward committees function optimally with community information provision; convening of meetings; ward planning; service delivery; IDP formulation and performance feedback to communities.

The following tables indicates the names of the members of the ward committees and their meeting dates:

Note: (M): Minutes available; (AR): Only attendance registers available

#### Ward 1: Blanco

Name of representative	Capacity representing	Date of meetings held during the year
B Fortuin/M Naik	Councillor	
S Crowley	Education	
N Wolmarans	Business	
C Laws	Health & Welfare	27 August 2012 (M) 12 November 2012 (M) 6 February 2013 (M) 28 May 2013 (M)
D Keteldas	Community Safety	
M Miller	Tourism	
M Davids	Sport	
N E Carelse	Culture	
N Delport-Ragadu	Senior Citizens	
W Jansen	Religious Groupings	
A Kaffoen	Environment	

Table 33: Ward 1 Committee Meetings

#### Ward 2: Denneoord, Fernridge, Bo-dorp, Camphersdrift

Name of representative	Capacity representing	Date of meetings held during the year
C Neethling	Councillor	
C D Ralston	Senior Citizens	20 August 2012 (M) 08 November 2012 (M) 25 February 2013 (M)
A Lambrechts	Health & Welfare	
H J v Rensburg	Youth	
B Uys	Religious Groupings	
W Barkhuizen	Culture	
S Labuschagne	No info	

Table 34: Ward 2 Committee Meetings



#### Ward 3: Heather Park, Heatherlands

Name of representative	Capacity representing	Date of meetings held during the year
EP De Villiers	Councillor	
E H Stroebel	Health & Welfare	13 August 2012 (M) 19 November 2012 (M) 11 February 2013 (M)
G Harris	Business	
E de Finn	Tourism	
Jan-Erik Swart	Culture	
A Cook	Environment	
F A van der Merwe	Home Owners Ass	
E Dreyer	Religious Groupings	

**Table 35:** Ward 3 Committee Meetings

#### Ward 4: Wilderness, Kleinkrantz, Touwsranten, Hoekwil, Glenwood

Name of representative	Capacity representing	Date of meetings held during the year
LD van Wyk	Councillor	
R Mintoor	Education & Religious	20 August 2012 (M) 12 November 2012 (M) 25 February 2013 (M)
W Rhode	Sport	
G Sell	Ratepayers Associations	
W J Smit	Senior Citizens	
C Buys	Youth	
Q Simons	Safety & Security	6 May 2013 (M)
J Pratt	Tourism	
S Branford	Conservancies	
C Appels	Touwsranten Community	

Table 36: Ward 4 Committee Meetings

#### Ward 5: Le Vallia, Loerie Park, Tweerivieren, Panorama

Name of representative	Capacity representing	Date of meetings held during the year
LBC Esau	Councillor	
C Linford	Culture	
A H Jacobs	Education	06 September 2012 (M) 27 November 2012 (M) 07 March 2013 (M)
H Pienaar	Environment	
S Smart	Religious Groupings	
R L van Wyk	Sport	
A v S Botha	Tourism	
L Marais	Youth	



Name of representative	Capacity representing	Date of meetings held during the year
P D Louw	Senior Citizens	
M P Abrahams	Health	

Table 37: Ward 5 Committee Meetings

#### Ward 6: Rosemoor, Protea Park, Urbanville, Convent Gardens

Name of representative	Capacity representing	Date of meetings held during the year
JJ Muller/ H Ingo	Councillor	
M Hessie	Business	
M Boekas	Community Safety	
J Pretoruis	Disabled	12 September 2012 (M)
Irene Pietersen	Women	
D Jantjies	Welfare & Health	27 November 2012 (M)
H Ingo	Religious Groupings	4 February 2013 (M)
Marius Korsten	СВО	
LDS Lass	Education	
G Olyn	Housing	
F Buis	Environment	

Table 38: Ward 6 Committee Meetings

#### Ward 7: Lawaaikamp, Maraiskamp

Name of representative	Capacity representing	Date of meetings held during the year
FZ Ntozini	Councillor	
E Moshabi	Health & Welfare	
S Madumane	Youth	23 August 2012 (M) - 18 February 2013 (AR)
K A Khumalo	Business	
A Gcinilizwe	Sport	
S Rooiland	Religious Groupings	
TM Dyasi	Disabled	

**Table 39:** Ward 7 Committee Meetings



#### Ward 8: Parkdene, Ballotsview

Name of representative	Capacity representing	Date of meetings held during the year
C Standers	Councillor	19 September 2012 (M) 20 February 2013 (AR)
H Swartbooi	Community Safety	
M Adams	Education	
J Pieterse	Health & Welfare	
Past A Amas	Religious Groupings	
E Meyer	Senior Citizens	
S Laws-Klaasen	Women	
Abigail Innes	Youth	
C Standers	Councillor	

**Table 40:** Ward 8 Committee Meetings

#### Ward 9: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
T Teyisi	Councillor	
S September	Community Safety	
A Hans	Women	
K Nikani	Youth	01 August 2012 (M) 14 November 2012 (M) 25 February 2013 (M)
M Mahambehlala	Environmental	
K Lose	Disabled	
P Kwetana	No info	
V Dyanti	Business	
T Boyana	Co-opted	
S E Lumkwana	Co-opted	

**Table 41:** Ward 9 Committee Meetings

#### Ward 10: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
MD Gingcana	Councillor	
B Henge	Education	21 August 2012 (M) 27 November 2012 (M) 26 February 2013 (M)
S Msutu	Women	
V Dywili	Youth	
N Bontiya	Religious	
W Mnuku	Business	
Noma-AfrikaMadela	Culture	



Name of representative	Capacity representing	Date of meetings held during the year
N Ncamile	Agriculture	
N J Mlanga	Senior Citizens	
N Grifis	Health & Welfare	

Table 42: Ward 10 Committee Meetings

#### Ward 11: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
NF Kamte	Councillor	
A Noko	Community Safety	
C Z Sitchetshe	Business	
S Ndzimba	Senior Citizens	6 August 2012 (M)
E Joka	СВО	12 November 2012 (M)
T Jantjies	Sport	4 February 2013 (M)
S C Mathys	Youth	
P Tsoloane	Women	
W Mfikiseli	Agriculture	

Table 43: Table 27: Ward 11 Committee Meetings

#### Ward 12: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
GN Sixolo	Councillor	
K Ndwenkuku	СВО	
B Plata	Youth	13 August 2012 (M)
E Gunuza	Business	
M Nkomazana	Agriculture	
N Nojaholo	Community Safety	
XolisekaGunuza	Culture	
Elvin Pretorius	Sport	

Table 44: Ward 12 Committee Meetings

#### Ward 13: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
B Salmani	Councillor	
S Mazibuko	Religious Groupings	
KK Siko	Youth	0. H. I
I Lucas	Sport	6 February 2013 (M)
C Lucas	Women	
S Mbune	Business	

Table 45: Ward 13 Committee Meetings

#### Ward 14: Erf 325, Pacaltsdorp, Andersonville, Seaview, Europe, Noordstraat

Name of representative	Capacity representing	Date of meetings held during the year
CM Papah / C Remas	Councillor	
M Brink	Disabilities	
C Witbooi	Education	
B Klassen	Youth	6 August 2012 (M) 27 November 2012 (M) 4 March 2013 (M)
A Meyer	СВО	
J April	Community Safety	
LSG Stefhanus	Health & Welfare	
J Klassen	Agriculture &	
S Herman	Senior Citizens	
C Arika	Women	

Table 46: Ward 14 Committee Meetings

#### Ward 15: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
FS Guga	Councillor	
Z Damster	СВО	
VuyaniGwejela	Agricultural	20 August 2012 (M) 6 February 2013 (M)
MtandeniHlalempini	Sport	
MR Dyantyi	Education	
P Gege	Women	
M Beba	Community Safety	

Table 47: Ward 15 Committee Meetings



#### Ward 16: New Dawn Park

Name of representative	Capacity representing	Date of meetings held during the year
HJ Jones	Councillor	
A Heynse	Health & Welfare	
S Louw	Religious Groupings	
J Rondganger	Sport	15 August 2012 (M)
A Sheldon	Youth	21 November 2012 (M)
J Fortuin	Employment Sector	06 February 2013 (M)
R Patterson	Women	
M Rivers	Community Safety	
A van Wyk	СВО	

**Table 48:** Ward 16 Committee Meetings

#### Ward 17: Conville

Name of representative	Capacity representing	Date of meetings held during the year
D Maritz	Councillor	
M Adams	Health & Welfare	
J Ambraal	Religious Groupings	
BA Schoeman	Senior Citizens	
IJ Seconds	Community Safety	19 September 2012 (M)
P Foster	Women	06 February 2013 (M)
M Greeff	Culture	
L Jansen	Environment	
H Clark	СВО	
R Goeieman	Youth	

Table 49: Ward 17 Committee Meetings

#### Ward 18: Loeriepark, Tweerivieren, George Park

Name of representative	Capacity representing	Date of meetings held during the year
GC Niehaus	Councillor	
Adri Joubert	Business	
SarelVolkwyn	Community Safety	2 August 2012 (M) 15 November 2012 (M) 14 February 2013 (M)
Barry van Ginkel	Environment	
CarelNeuhoff	Religious Groupings	
J Knoetze (Bossie)	Sport	



Name of representative	Capacity representing	Date of meetings held during the year
Stan F van Wyk	Tourism	
Melinda Niehaus	Women	
SP Apollis (Pieter)	Youth	
P Nagel	Youth	
A Storm	Senior Citizens	

Table 50: Ward 18 Committee Meetings

#### Ward 19: George - Central, George - South, Dolmelsdrift, King George

Name of representative	Capacity representing	Date of meetings held during the year
IC Kritzinger	Councillor	
J Jacobs	Health	23 August 2012 (M)
R Schubert	Environment	04 December 2012 (M)
BS Redelinghuys	Religious	07 February 2013 (M)
P Nel	Youth	

Table 51: Ward 19 Committee Meetings

#### Ward 20: Borchards

Name of representative	Capacity representing	Date of meetings held during the year
M Draghoender	Councillor	
J Windwaai	Youth	
J Carolus	Women	
J October	Disabled	
R Fisher	Sport	13 August 2012 (M)
M Mabukane	Health & Welfare	19 November 2012 (M)
A Windwaai	Environment	13 February 2013 (M)
J Muller	Education	
J Yoko	Community Safety	7
R Windwaai	Business	
N Cupido	Culture	

Table 52: Ward 20 Committee Meetings



#### Ward 21: Thembalethu

Name of representative	Capacity representing	Date of meetings held during the year
JS Thanda	Councillor	
B Baliti	Health & Welfare	
B R Tom	Community Safety	
D Dingiswayo	Religious Groupings	
J Booysen	Business	17 September 2012 (M)
S Tyokolo	Sport	20 November 2012 (AR) 27 February 2013 (AR)
S Nkata	Environment	
A Maneer	Women	
N Mpumlo	Arts & Culture	
NG Mbanjana	СВО	

Table 53: Ward 21 Committee Meetings

# Ward 22: Landelike Gebiede, Diepkloof, Sinksabrug, Waboomskraal, Herold, Geelhoutboom, Bo-Dorp, Camphersdrift

Name of representative	Capacity representing	Date of meetings held during the year
PH de Swardt	Councillor	
A Barnard	Agriculture	
D Windsor	Community Safety	
H Claasen	Education	
A Roetz	Environment	20 August 2012 (M)
J Windvogel	Health & Welfare	26 November 2012 (M)
Ds JS v/d Walt	Religious Groupings	13 February 2013 (M)
M Andrag	Sport	
N Reimann	Tourism	
D Bruiners	Women	
M L Botha	Senior Citizens	

Table 54: Ward 22 Committee Meetings

# Ward 23: Delville Park, Groenewyde Park, Herolds Bay, Hoogekraal, Buffelsfontein, Oubaai, Rooirivierrif, Bos & Dal

Name of representative	Capacity representing	Date of meetings held during the year
GJ Stander	Councillor	
E Scheepers	Business	
H Williams	СВО	
V Horn	Religious Groupings	
SK Hauptfleisch	Health & Welfare	23 August 2012 (AR)
D Pijoos	Women	12 November 2012 (AR)
HA du Plessis	Ratepayers	18 February 2013 (AR)
S Gericke	Agriculture	
P du Plessis	Tourism	
CA Steyn	Environmental Affairs	
A Skippers	Youth	

Table 55: Ward 23 Committee Meetings

#### Ward 24: Haarlem, Avontuur, Ongelegen

Name of representative	Capacity representing	Date of meetings held during the year
AM Wildeman	Councillor	
D Hodgson	Commercial farmers	
J Arendse	New farmers	
D van Zyl	Business	
M Brinkhuis	Community Safety	
C Philander	Education	8 October 2012 (M) 04 February 2013 (M)
J Visagie	Health Committee	041 ebitary 2010 (M)
MJ du Preez	Sport & Culture	
M Antonie	Women&	
E Edwards	Environment & Tourism	
CR Fortuin	Religious Groupings	

Table 56: Ward 24 Committee Meetings

#### Ward 25: Uniondale, Esseljag, Rooirivier

Name of representative	Capacity representing	Date of meetings held during the year
M E F Kleynhans	Councillor	
W A Decelly	Business	
A Tarentaal	СВО	
E Jansen	Education	
D Meiring	Religious Groupings	21 August 2012 (M)
J Esau	Sport	21 November 2012 (M)
J de Kock	Health	11 February 2013 (M)
S Human	Welfare	
L Howell	Agriculture	
J Fry	Youth	
J D Loff	Safety	

Table 57: Ward 25 Committee Meetings

# Component C: Corporate Governance

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

### 2.4 Risk Management

Section 62 of the Municipal Finance Management Act (MFMA), no. 56 of 2003, states that the Accounting Officer should take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control as well as the effective, efficient and economical use of the resources of the municipality.

The internal audit activity was tasked to oversee the risk management process in terms of the following as prescribed by NT Public Sector Risk Management Framework:

- "(5) In case where the Internal Auditor assumes the role of the Chief Risk Officer, his/her risk management responsibilities include:
- (a) assisting Management to develop the risk management policy, strategy and implementation plan;
- (b) co-ordinating risk management activities;
- (c) facilitating identification and assessment of risks;
- (d) recommending risk responses to Management; and



- (e) developing and disseminating risk reports.
- (6) When assisting Management in establishing or improving risk management processes, Internal Auditing must refrain from assuming management responsibilities for risk management."

Although the Internal Audit Activity facilitated the above, management took ownership of risks and the mitigation thereof.

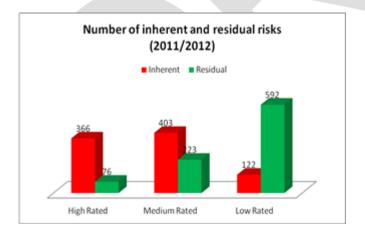
George Municipality has made significant progress with risk assessment and risk management processes over the past few years. Operational risk assessments were performed on a continuous basis during the 2012/2013 financial year, by the departments, as quarterly risk reporting on, amongst others, additional risks, deleted risks, changes to risk data, risks that materialised and risks that should be escalated for intervention was implemented. The departments also discussed the risks on a continuous basis at monthly departmental meetings.

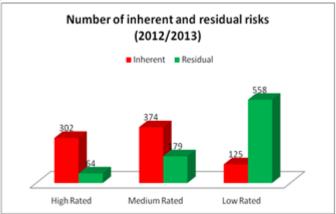
#### a) Risk profile

The annual risk assessment, compared to the previous risk assessment, reflected the following change in risk profile:

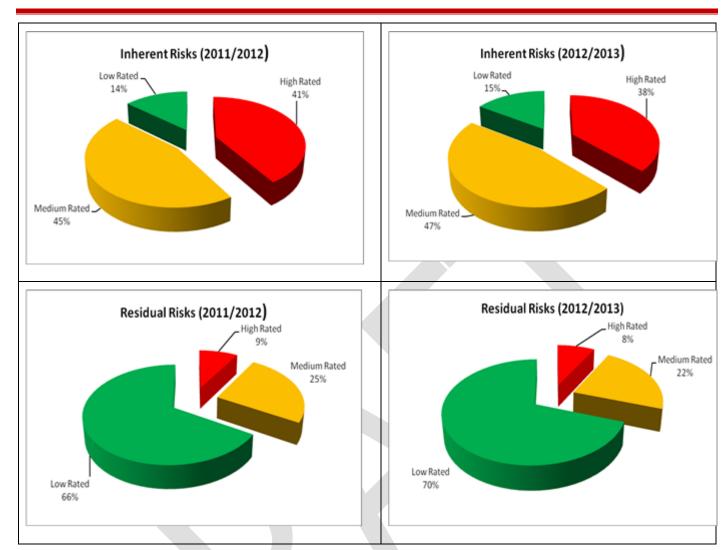
		2011/2012					2012/2013		
Risk Categories	Inherent	Inherent %	Residual	Residual %	Risk Categories	Inherent	Inherent %	Residual	Residual %
High Rated	366	41	76	9	High Rated	302	38	64	8
Medium Rated	403	45	223	25	Medium Rated	374	47	179	22
Low Rated	122	14	592	66	Low Rated	125	16	558	70
Total	891	100	891	100	Total	801	100	801	100

Table 58: Risk Profile









Graph 1: Inherent and residual risks

The total number of risks decreased by 10% from 891 (Quarter 4 of 2011/2012) to 801 (2012/2013).

### b) Top ten risks

The 2012/2013 Top 10 Institutional Risks were reviewed and updated through a collaborative process. The updated list of Top 10 institutional risks are as follows:

Ranking	Description
1	Financial Viability
2	Inadequate standards of service delivery
3	Dissatisfaction of the community
4	Maintaining infrastructure
5	Deficiencies in staff skills and capacity
6	Poor level of compliance
7	Weaknesses in governance and accountability
8	Increasing indigent and poverty



9	Failure and non-integration of IT systems
10	Inefficient investment in Capital Expenditure

Table 59: Top Ten Risks

### 2.5 Anti-Corruption and anti-fraud

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favouritism and unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

#### a) Developed Strategies

Name of strategy	Developed Yes/No	Date Adopted/Reviewed
Anti-fraud & anti-corruption policy	Yes	28 November 2012
Anti-fraud & anti- corruption strategy and implementation plan	Yes	28 November 2012

Table 60: Strategies: Anti-corruption and Anti-fraud

The structural strategies according to the Anti-Fraud and Anti-Corruption Strategy and implementation plan include the establishment of an Anti-Fraud and Anti-Corruption Committee that will oversee the approach of the Municipality approach to fraud prevention, fraud detection strategies and response to fraud and corruption incidents reported by employees or other external parties. The Section 80 Finance Committee fulfills this role.

The following are some of the strategies identified in the Fraud Prevention Strategy with an indication of the progress in this regard:

### b) Implementation of Strategies

Strategies to implement	Key Risk Areas	Key measures to curb corruption and fraud
Prevention – First line of defence. A proactive, broad-based approach through which the municipality implements mechanisms and interventions that are meant to protect it from fraud and corruption.	◆Systems and controls not properly implemented.  ◆Inherent weaknesses can be exploited.	<ul> <li>Awareness of managers, staff and community of the risks of fraud and corruption.</li> <li>Level of training.</li> <li>Level of communication.</li> </ul>
Detection – Second line of defense. Systematic and structured manner through which the municipality will search and encourage reporting of incidences.	◆ Searching of incidences lacking. ◆ Reporting of incidences	Design of controls to ensure there are no irregularities in terms of supply chain, expenditure and compliance with procedures.
Investigation – Formal process through which an allegation is subject to In-	◆ All allegations not investigated.	Referral of matters to be based on a zero-tolerance approach.



Strategies to implement	Key Risk Areas	Key measures to curb corruption and fraud
depth investigation in order for the municipality to make and execute decisions.	<ul> <li>Outcomes of the investigations not communicated.</li> </ul>	<ul> <li>Prosecution to be linked to investigation when necessary.</li> </ul>
Resolution – Process through which the outcomes of the investigation process is utilised to make and implement decisions aimed at resolving the matter.	<ul> <li>Disciplinary actions not taken.</li> <li>Civil recovery not made.</li> <li>Referral to other agencies not made.</li> </ul>	<ul> <li>Communication of outcomes to all key stakeholders.</li> <li>From the municipality's perspective, the desired outcome where fraud and corruption has indeed been perpetrated is disciplinary action, civil recovery and where applicable criminal investigation.</li> </ul>

Table 61: Implementation of the Anti-corruption and Anti-fraud Strategies

### 2.6 Audit Committee/s

The Municipality Audit Committee, appointed in terms of Section 166 of the MFMA, has also been appointed as the Performance Audit Committee.

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must -

(a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control and internal audit;
- risk management;
- accounting policies;
- the adequacy, reliability and accuracy of financial reporting information;
- performance management;
- effective governance;
- compliance with this Act, the annual Division of Revenue Act and any other applicable legislation;
- performance evaluation; and
- any other issues referred to it by the municipality

#### a) Functions of the Audit Committee

The Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003 which is further supplemented by the Local Government Municipal and Performance Management Regulation as well as the approved Audit Committee charter:

• To advise the Council on all matters related to compliance and effective governance.

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- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual Division of Revenue Act (DoRA) and other applicable legislation.
- Respond to the council on any issues raised by the Auditor-General in the audit report.
- To carry out such investigations into the financial affairs of the municipality as the council may request.
- perform such other functions as may be prescribed.
- To review the quarterly reports submitted to it by the internal audit.
- To evaluate audit reports pertaining to financial, administrative and technical systems.
- To review the performance management system and make recommendations in this regard to Council.
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimised.
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section.
- Evaluate the activities of the Internal Audit function in terms of their role as prescribed by legislation.

#### b) Members of the Audit Committee

Name of representative	Capacity	Meeting dates	
J Stoffels	Chairperson	20 July2012 31 August 2012	
G Harris	Member	26 October 2012	
A Dippenaar	Member	7 December 2012 25 January 2013	
A Potgieter	Member	27 March 2013 31 May 2013	

Table 62: Members of the Audit Committee

#### c) Municipal Audit Committee Recommendations

Formal reports are submitted to Council on recommendations for implementation to address control weaknesses; the Audit Committee regularly follow up with Internal Audit and Management on state of corrective action implemented. Furthermore, the Audit Committee also have sight of various internal and external reports and providing comments where necessary.

The following recommendations by the committee were, inter alia, approved by the Council.

Date of meeting	Committee recommendations during 2012/13
20 July 2012	<ul> <li>Long term financial plan update:</li> <li>The long term financial plan should be reworked to reflect more recent and reliable population statistics, changed financial circumstances and current</li> </ul>



Date of meeting	Committee recommendations during 2012/13
	strategies and initiatives. Progress against the plan should be monitored on a regular basis.  Financial position, financial performance and cash flow  Council should take note of the financial position, financial performance and cash flows and strongly support initiatives to improve the current situation.  Performance Management  High priority should be given to the implementation of internal and external audit recommendations.  Performance evaluations should be extended to all levels of staff.  The status of implementation of the Turnaround Strategy should be assessed and reported on.  Risk Management  Directorates should continue to monitor their risks and to report quarterly on changes in their risk profiles. Risk ratings should be reassessed to address the anomalies that exist in the risk data.  The Top 10 institutional risks of the Municipality should be reassessed and updated as necessary.  Council should consider and approve the "risk appetite" and "risk tolerance" as required in terms of the Risk Management Policy and Implementation Plan.  Council should also take note of its role in terms of the Risk Management Policy and Implementation Plan and provide such support as is necessary to enable risks facing the institution to be managed effectively.
31 August 2012	<ul> <li>Performance Management         <ul> <li>High priority should be given to the implementation of internal and external audit recommendations.</li> </ul> </li> <li>Risk Management         <ul> <li>Directorates should continue to monitor their risks and to report quarterly on changes in their risk profiles. Risk ratings should be reassessed to address the anomalies that exist in the risk data.</li> </ul> </li> <li>Auditor – General         <ul> <li>That the Manager: Internal Audit engages with the provincial office of the Auditor – General on the possibility of reducing their annual audit fee.</li> </ul> </li> <li>Internal Audit         <ul> <li>The Audit Committee takes note of the concerted efforts made by the various directorates in cooperating with Internal Audit and implementing Internal Audit's recommendations. Implementation of internal and external audit recommendations should continue to be prioritised.</li> </ul> </li> </ul>
26 October 2012	<ul> <li>Replacement of Ms B Bam as Audit Committee member</li> <li>Lack of capacity and risk of inadequate service delivery</li> <li>Performance Management</li> <li>High priority should be given to the implementation of internal and external audit recommendations. Performance management, measurement and evaluations should be extended to all levels of staff.</li> <li>Risk Management</li> <li>Internal Audit</li> </ul>
7 December 2012	<ul> <li>Replacement of Ms B Bam as Audit Committee member</li> <li>The Audit Committee notes that the Executive Mayor and Municipal Manager have been delegated with responsibility for appointing the fourth member of the Audit Committee and requests that this be addressed as a matter of urgency.</li> <li>Auditor-General (AG)</li> <li>The Audit Committee recommends that management address all the matters raised the AG in their Management Letter.</li> <li>The committee further recommends that management places emphasis on anticipated focus areas for the 2013 external audit.</li> </ul>
25 January 2013	Performance Management  The Audit Committee notes the Manager: Internal Audit's concerns regarding the quality of the performance management reporting on the Ignite System.



Date of meeting	Committee recommendations during 2012/13
	<ul> <li>High priority should be given to addressing the quality of actual performance reported by the directorates on the Ignite system as well as the implementation of internal and external audit recommendations.</li> <li>Risk Management</li> <li>Consideration should be given to the establishment of subcommittee to the Audit Committee in order to facilitate the effective discharge of the Audit Committee's Risk Management related responsibilities.</li> <li>Internal Audit</li> <li>Quarterly reporting on the status of implementation should be done by each Internal Audit champion to their directors who in turn should report on the status to the Municipal Manager.</li> </ul>
27 March 2013	Attention to be given to the following areas that could have an impact on the Clean Audit status:  Performance Management: The number and measurability of KPIs. Differentiation between individual and institutional KPIs.  Information Technology: The urgent appointment of an IT Manager. Human Resources Management: Implementation of an action plan to address all HR related issues as well as regular reporting on the implementation. Reviving the HR Steering Committee.
31 May 2013	<ul> <li>Draft budget         <ul> <li>Attention to be given to the following areas:</li> <li>An agreement between all relevant parties to support the revenue enhancement programs.</li> <li>Public participation and public awareness of IDP and budget processes.</li> <li>The risk of service delivery protests.</li> </ul> </li> <li>Human Resources         <ul> <li>Attention to be given to the following areas:</li> <li>SALA pension fund liability</li> <li>TASK requirements</li> <li>Compliance order relating to temporary employees</li> </ul> </li> <li>Municipal Reporting in terms of sections 52, 71 and 72 of the MFMA         <ul> <li>Attention to be given to the following areas:</li> <li>The effectiveness of the in-house credit control function.</li> <li>Implementation of the Integrated Transport System.</li> <li>It should be noted that the following could be potential findings in the upcoming external audit:</li></ul></li></ul>

Table 63: Municipal Audit Committee Recommendations

# 2.7 Internal Auditing

Section 165 (2) (a), (b) and (c) of the MFMA requires that:

The internal audit unit of a municipality must -

- (a) prepare a risk based audit plan and an internal audit program for each financial year; and
- (b) advise the accounting officer and report to the audit committee on the implementation on the internal audit plan and matters relating to:

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- (i) Internal audit;
- (ii) internal controls;
- (iii) accounting procedures and practices;
- (iv) risk and risk management;
- (v) performance management;
- (vi) loss control; and
- (vii) compliance with this Act, the annual Division of Revenue Act and another applicable legislation; and
- (c) perform such other duties as may be assigned to it by the accounting officer.

The Internal Audit function is outsourced to Ernst & Young. With the appointment of the Internal Audit Manager in the latter part of 2011, George Municipality's IA function has effectively changed to a co-sourced function. Risk assessments are conducted on a regular basis and informed the compilation of the 3 year rolling internal audit plan.

The results of the approved 3-year rolling internal audit plan (after amendments were processed relating to the 2012/13 financial year) are included below:

	Description of activity	Audit		Coverage	Previous	Priority Assigned		
Ref		unit type	Initial Risk Assessment	by Auditor General	3-year Cycle Coverage	2010 /11	2011 /12	2012 /13
	Planning and control							
1	Detailed Internal Audit Plan and Costing	MP	Н	No	✓	✓	✓	✓
2	Audit Committee (AC) meetings / papers / secretariat (4 meetings pa)	MP	Н	Yes	✓	✓	✓	✓
3	Performance Audit Committee items (combined with AC)	MP	Н	Yes	✓	✓	✓	<b>✓</b>
4	Internal Audit Steering Committee (12 meetings per annum)	MP	Н	No	✓	✓	✓	✓
5	Internal Audit Steering Committee - Update of IA Charter	TS	Н	No	✓	<b>√</b>	<b>√</b>	<b>√</b>
6	Audit quality control	MP	Н	No	✓	✓	✓	✓
7	Engagement administration	MP	Н	No	✓	✓	✓	✓
		Routine	program items					
8	Cash counts: Quarterly	RPI	Н	No	✓	<b>✓</b>	✓	✓
	An	nual rout	ine program ite	ms				
9	Risk assessment - Review and update prior year	MP	Н	No	✓	<b>√</b>	✓	✓
10	Risk assessment - Battlefield compilation	MP	Н	No	-	✓	-	✓
11	Risk assessment - Review of NT Risk Assessment	MP	Н	No	-	-	-	-



		Audit		Coverage	Previous	Priority Assigned		
Ref	Description of activity	unit type	Initial Risk Assessment	by Auditor General	3-year Cycle Coverage	2010 /11	2011 /12	2012 /13
12	Risk assessment - Facilitating departmental meetings (Quarterly risk reporting)	MP	Н	No	-	<b>√</b>	<b>√</b>	<b>~</b>
13	Risk assessment - Reviewing of Risk Treatment Plans	MP	Н	No	-	<b>√</b>	<b>√</b>	<b>√</b>
14	Risk assessment - Top 40 risks and monitoring processes (Incl Top 10 update)	TS	Н	Yes	<b>~</b>	<b>√</b>	-	<b>✓</b>
15	Billing system (water / electricity / rates / sewerage / refuse / flat rates)	RPI	Н	Yes	~	✓	✓	<b>√</b>
16	Prepaid electricity income	RPI	Н	Yes	<b>✓</b>	✓	✓	✓
17	External audit liaison	MP	Н	Yes	<b>✓</b>	<b>✓</b>	✓	✓
18	AG Report and Management letter follow- up 2011/2012	MLP	Н	Yes	-	-	-	✓
19	Water consumption (every 6 months)	RPI	Н	No	✓	✓	✓	✓
20	Cash counts: Annual	TS	Н	No	✓	✓	✓	✓
21	Stock counts: Annual	TS	Н	Yes	✓	✓	✓	✓
22	Routine MLP follow ups	MP	Н	No	✓	✓	✓	✓
		Other p	program items					
23	PMS and Organisational Structure - Quarterly reporting	MP	Н	Yes	✓	✓	✓	<b>✓</b>
24	PMS - Directors' POE testing	MP	-	-	-	-	-	✓
25	Relevant Legislation and Regulations	MP	Н	Yes	✓	-	-	✓
26	Asset Management	BP	M	Yes	-	-	-	-
27	Asset Management - Phase 2	BP	Н	Yes	-	-	-	✓
28	Financial Cycles - Employee Cost	TS	Н	Yes	-	✓	-	
29	Financial Cycles - Revenue and Receivables	TS	Н	Yes	-	✓	-	✓
30	Financial Cycles - Purchases and Payables	TS	Н	Yes	-	✓	-	✓
31	Financial Cycles - Assets and Liabilities	TS	Н	Yes	-	✓	-	<b>√</b>
32	Internal Control Testing (6 monthly)	TS	Н	No	-	✓	✓	✓
33	VAT Audit	TS	Н	Yes	-	-	-	✓
34	PAYE Audit	TS	Н	Yes	-	-	-	✓
35	Financial Statement Review	TS	Н	Yes	-	-	✓	✓
36	Financial Statement Close Process (G Higgins - 6 monthly updates)	TS	Н	No	-	<b>√</b>	-	-
37	Financial Statement Operating Procedure Manual - Initial process	TS	Н	No	-	✓	-	-
38	Financial Statement Operating Procedure Manual - Quarterly testing	TS	Н	No	-	✓	-	-



		Audit		Coverage	Previous	Priority Assigned		
Ref	Description of activity	unit type	Initial Risk Assessment	by Auditor General	3-year Cycle Coverage	2010 /11	2011 /12	2012 /13
39	Supply Chain Management	BP	Н	Yes	✓	-	-	✓
40	Tariff Listings	BP	Н	No	✓	✓	✓	✓
41	Risk Management	BP	Н	No	✓	✓	✓	✓
42	Risk Management - Policy review	BP	Н	Yes	-	✓		
43	Risk Management - Reporting to Council (6 monthly)	BP	н	No	-	<b>√</b>	<b>√</b>	<b>√</b>
44	IT Audit (Data Analytics (Payroll / Billing / Supply Chain) etc)	BP	Н	Yes	-	-	-	<b>√</b>
45	Corporate Governance	BP	Н	No	<b>✓</b>	-	-	-
46	Corporate Governance - King III Assessment	TS	Н	Yes	-	-	✓	<
47	Corporate Governance - Checklists (refer Corporate Governance - King III Assessment)	TS	Н	Yes	,		-	ı
48	Corporate Ethics (refer Corporate Governance)	BP	Н	No	✓	-	-	ı
49	GAMAP/GRAP	SP	Н	Yes	✓	✓	-	•
50	Leave records: Monthly terminations	SP	Н	No	✓	✓	✓	✓
51	IT Steercom	SP	Н	No	✓	✓	✓	
52	HR Steercom	SP	Н	No	✓	✓		
53	CAE Forum meetings	SP	Н	No	✓	✓	✓	✓
54	Contract Management	SP	Н	No	-	✓	-	-
55	Fraud Prevention - Fraud Risk Assessment (Initial)	TS	Н	Yes	-	-	✓	✓
56	Fraud Prevention - Fraud Risk Assessment (Annual review)	TS	Н	Yes	ı	-	-	ı
57	Fraud Prevention - Policy review	TS	Н	Yes	✓	-	-	✓
58	Fraud Prevention - Presentation and policy roll out	TS	Н	No	-	-	-	-
59	Fraud Prevention - Assess policy and procedures (6 monthly)	TS	Н	No	-	-	-	-
60	Fraud Prevention - ICFC	TS	Н	Yes	✓	-	-	✓
61	Internal Audit - Policies and Procedures Manual (IIA Compliant)	TS	Н	No	-	ı	ı	<b>&gt;</b>
62	Special - Proclaimed Roads	-	-	-	-	✓	✓	✓
	Improve pro	jects - m	anagement lette	er follow ups				
63	Auditor-General Management Letter follow-up 2010/2011	MLP	Н	Yes	-	-	✓	<b>~</b>
64	Entity Level Controls	MLP	Н	Yes	-	-	✓	✓
65	Tariff Listing MLP follow-up	MLP	Н	No	-	-	✓	<b>✓</b>



		Audit		Coverage	Previous	Prior	ity Assi	gned
Ref	Description of activity		Initial Risk Assessment	by Auditor General	3-year Cycle Coverage	2010 /11	2011 /12	2012 /13
66	Billing System MLP follow-up	MLP	Н	Yes	-	-	✓	✓
67	Capital Contributions MLP follow-up	MLP	Н	No	-	-	✓	✓
68	Building Control and Illegal Structures MLP follow-up	MLP	Н	No	,	-	<b>√</b>	<b>✓</b>
69	Prepaid Electricity Income MLP follow-up	MLP	Н	Yes	-	-	✓	✓
70	Internal Control Testing MLP follow-up	MLP	Н	Yes	-		✓	✓

Table 64:3 Year Internal Audit Plan

**Internal Audit Reports issued** 

Note:

Key to audit unit types:

MP Management process
TS Transversal system
BU Business unit
BP Business process

MLP Improve projects (management letter point follow up)

SP Special Project RPI Routine Project Item

Relating to and during the 2012/2013 financial year the following Internal Audit reports were issued:

Performance Management System Quarterly Reporting Heat Maps
Performance Management System Quarterly Reporting 2011/2012 (Quarter 2)
Prepaid Electricity: Management Letter Point Follow-up 2011/2012
Building Control and Illegal Structures: Management Letter Point Follow-up 2011/2012
Performance management system quarterly reporting heat maps (Quarter 3 of 2011/12)
Performance management system quarterly reporting 2011/2012 (Quarter 3)
Billing System: Management Letter Point Follow-up 2011/2012
Annual cash count 2011/2012
Risk assessment update 2011/2012
Tariff Listing: Management Letter Point Follow-up 2011/2012
Quarterly Risk Reporting 2011/2012 (Quarter 4)
Top Risks Update 2011/2012
Risk Management - Reporting to Council 2012/2013
Quarterly cash count 2012/2013 (Quarter 1)
Entity level controls: management letter point follow-up 2011/2012
Routine management letter points follow-up 2012
Performance Management - Directors' Portfolios of Evidence
Annual Stock Count 2011/2012
Quarterly cash count 2012/2013 (Quarter 2)
Prepaid Electricity Income 2012/2013



Tariff Listing 2012/2013

Quarterly cash counts 2012/2013 (Quarter 3)

Performance management system quarterly reporting heat maps - 2011/2012 (Quarter 4)

Performance management system quarterly reporting 2011/2012 (Quarter 4)

Factual findings: consumption of water for the period 1 January 2012 to 31 December 2012

Water consumption: fluctuations and anomalies for the period 1 January 2012 to 31 December 2012

Performance management system quarterly reporting heat maps - 2012/2013 (Quarters 1,2&3)

Performance management system quarterly reporting 2012/2013 (Quarters 1,2&3)

Annual stock count 2012/2013

Annual cash counts 2012/2013

Quarterly Risk Reporting 2012/2013 (Quarters 1 & 2)

Performance Management System - Directors' Portfolio of Evidence

Table 65: Internal Audit reports issued

### 2.8 Supply Chain Management

#### 2.8.1 Competitive Bids in Excess of R200 000

#### a) Bid Committee Meetings

The following table details the number of bid committee meetings held for the 2012/2013 financial year:

Bid Specification Committee	Bid Evaluation Committee	Bid Adjudication Committee		
59	60	22		

Table 66: Bid Committee Meetings

#### b) Awards Made by the Bid Adjudication Committee

The bid adjudication committee awarded 41 bids of an estimated value of **R 230 million** (excluding annual store stock bids and technical annual bids)

The ten highest bids awarded by the bid adjudication committee are as follows:

Bid number	Title of bid	Directorate and	Successful Bidder	Value of bid awarded
bid number	Title of bid	section	Successiui bidder	R
T/ING/029/2012	Construction of the Thembalethu bulk sewerage infrastructure: Area 4B	Civil Services	Benver Civils and Plant Hire cc	8 221 531-99
T/ING/030/2012	Upgrading of Gwaiing sludge handling and inlet works	Civil Services	Huber Technology (PTY) Ltd	7 500 000-00
T/ING/018/2012	Upgrading of Uniondale WWTW –	Civil Services	Huber Technology (PTY) Ltd	7 051 424 -33



D'd	m:41 £ 1.2 3	Directorate and	G	Value of bid awarded
Bid number	Title of bid	section	Successful Bidder	R
	Mechanical and Electrical			
OS/011/2012	Collection of recyclable waste from households by means of blue bags	Environmental Affairs	Borchards Recycling cc	6 121 800-00
T/ING/016/2012	Upgrading of Cradock Street and provision of bus embayments between Market and Hibernia intersections	Civil Services	RK Sauer Construction	5 333 354-91
T/ING/034/2012	Construction of the Thembalethu bulk sewer (Area 4B): Mechanical and Electrical	Civil Services	Tricom Africa	4 823 300-44
ENG/007/2012	Bulk electrical services for erf 325	Electrotechnical Services	Light Be Construction and Maintenance	3 637 400-82
OS/017/2012	Reticification of the pavilion roof at Rosemoor stadium	Environmental Affairs	A.N.T. Engineering Agencies cc	3 396 539-99
OS/005/2012	Maintenance of parks with tractor and blower mower- western portion	Environmental Affairs	Southern Ambition 239 cc	1 768 320-00
OS/005/2012	Maintenance of parks with tractor and blower mower- eastern portion	Environmental Affairs	ACJ Maintenance and Development	1 138 560-21

Table 67: Ten highest bids awarded by bid adjudication committee

#### c) Awards Made by the Accounting Officer

In terms of paragraph 5 (2) (a) of Council's Supply Chain Management policy, only the Accounting Officer may award a bid which is in excess of R 10 million. The power to make such an award may not be sub-delegated by the Accounting Officer. The bids awarded by the Accounting Officer is as follows:

Bid number	Title of bid	Directorate and section	Value of bid awarded	
		Directorate and section	R	
T/ING/022/2012	Improvements to Pacaltsdorp interchange and new pedestrian bridge	Civil Services	82 456 200-00	
T/ING/021/2012	Construction of civil services for the Thembalethu housing project: upgrading of informal settlements program (UISP): Area 4A	Civil Services	25 539 221-64	



Bid number	Title of bid	Directorate and section	Value of bid awarded
			R
T/ING/024/2012	Construction of the Thembalethu bulk water pipeline	Civil Services	22 921 350-61
T/ING/027/2012	Reseal of roads	Civil Services	10 114 944-44

Table 68: Awards made by Accounting Officer

### d) Appeals Lodged by Aggrieved Bidders

The Municipality received 17 appeals by aggrieved bidders. All the appeals were unsuccessful.

Tender No	Description	Awarded to	Complainant	Outcome
OS/011/2012	Collection of recyclable waste from households by means of blue bags	Borchards Recycling	Shekina Enterprises	Unsuccessful
OS/011/2012	Collection of recyclable waste from households by means of blue bags	Borchards Recycling	Remade Greens Recycling	Unsuccessful
OS/011/2012	Collection of recyclable waste from households by means of blue bags	Borchards Recycling	Sisonnke Fleet Management	Unsuccessful
FIN/005/2012	Store Stock	Amec Plastics	Outeniqua Plastics	Unsuccessful
FIN/005/2012	Store Stock	Henchem	Tembelani	Unsuccessful
MM/010/2011	Products for soup kitchen	Margot Swiss International	Imvusa Trading 593	Unsuccessful
FIN/012/2012	Transportation of cash	SBV Services	Transcash (SWD)	Unsuccessful
MM/016/2012	Multi-functional copier for Uniondale	Nashua	Canon	Unsuccessful
DPD063/2012	Leasing of town commonage for emerging farming purposes	Olympia School	Pacaltsdorp farmers primary co-operative	Unsuccessful
ENG031/2012	Traffic signal head light emitting diodes	CS Traffic Engineering & Consulting Services	Syntell	Unsuccessful
ENG034/2012	Supply and delivery of surge wave receiver for acoustic and electromagnetic fault pinpointing	Flo Specialized Services	HC Control	Unsuccessful
TING/017/12	Appointment of consulting engineers	Consulting Engineers	CSM Consulting Services	Unsuccessful
BA/004/2012	Underwriting of the Municipality group life portfolio for the period of three years	Verso Financial Services	NMG Benefits	Unsuccessful



Tender No	Description	Awarded to	Complainant	Outcome	
DPD031/2013	Building of house: Erf 15589, Lawaaikamp	Golden Rewards	R. I. Construction	Unsuccessful	
DPD031/2013	Building of house: Erf 15589, Lawaaikamp	Golden Rewards	Golden Rewards CER Construction		
DPD137/2012	Construction of roads, stormwater and 183 subsidised top structures in Uniondale	Mellon Housing Initiative	PDFH Construction	Unsuccessful	
DPD137/2012	Construction of roads, stormwater and 183 subsidised top structures in Uniondale	Mellon Housing Initiative	RK Sauer Construction	Unsuccessful	

Table 69: Awards made by Accounting Officer

#### e) Awards Made to Enterprises within the George Municipal Area

The following tables details the value of competitive bids awarded to enterprises within the George Municipal Area during the 2012/2013 financial year.

Number of contracts awarded	Doverntage of contracts awayded	Value of contracts awarded	
Number of contracts awarded	Percentage of contracts awarded	R	
29	61-71	125 000 000-00	

Table 70: HDI Bid Awards

#### 2.8.2 Formal Written Price Quotations between R30 000 and R200 000

#### a) Awards Made to Enterprises within the George Municipal Area

The following tables details the value of formal written price quotations between R30 000 and R200 000 awarded to enterprises within the George Municipal area during the 2012/2013 financial year.

Number of contracts awarded	Percentage of contracts awarded	Value of contracts awarded	
Number of contracts awarded	refrentage of contracts awarded	R	
35	63-64%	2 336 906-67	

Table 71: Formal written price quotations between R 30 000 and R 200 000

#### 2.8.3 Deviation from Normal Procurement Processes

Paragraph 36 of Council's Supply Chain Management Policy allows the Accounting Officer to dispense with the official procurement process. Deviations amounting to **R 6 863 858-15** was approved. The following table provides a summary of deviations approved for 2012/13 respectively:



Directorate	Less than R30 000	Between R30 001 and R200 000	Between R200 001 and R2 000 000				
		R					
Office of the Municipal Manager	119 954-11	321 866-21	0				
Corporate and Social Services	159 505-94	214 303-20	0				
Civil Engineering Services	591 241-49 1 351 897-01 467 40		467 403-00				
Electro-Technical Services	527 678-60 759 366-89		0				
Environmental Affairs & Community Safety	597 391-89	326 853-12	586 294-01				
Planning & Human Settlement	201 678-57	65 094-00	0				
Financial Services	57 504-11	137 826-00	378 000-00				
Total	2 254 954-71	3 177 206-43	1 431 697-01				

Table 72: Summary of deviations

Deviations from the normal procurement processes have been monitored closely since the start of the previous financial year. Monthly reporting in terms of paragraph 36 of the SCM policy has been complied with.

#### 2.8.4 Logistics Management

The system of logistics management must ensure the following:

- the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- before payment is approved, certification by the responsible officer that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- appropriate standards of internal control and warehouse management to ensure that goods placed in stores
  are secure and only used for the purpose for which they were purchased;
- regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- Monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

Each stock item at the municipal stores, **Mitchell** Street is coded and is listed on the financial system. Monthly monitoring of patterns of issues and receipts are performed by the Storekeeper.

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Inventory levels are set at the start of each financial year. These levels are set for normal operations. In the event that special projects are being launched by departments, such information is not communicated timely to the Stores section in order for them to gear them to order stock in excess of the normal levels.

Internal controls are in place to ensure that goods and service that are received are certified by the responsible person which is in line with the general conditions of contract.

Regular checking of the condition of stock is performed.

As at 30 June 2013, the value of stock at the municipal stores amounted to **R7 231 869-38.**For the 2012/2013 financial year stock to the value of only **R 185-53** was accounted for as surpluses and **R345-11** as deficits.

#### 2.8.5 Disposal Management

The system of disposal management must ensure the following:

- immovable property is sold only at market related prices except when the public interest or the plight of the poor demands otherwise;
- movable assets are sold either by way of written price quotations, a competitive bidding process, auction
  or at market related prices, whichever is the most advantageous;
- Immovable property is let at market related rates except when the public interest or the plight of the poor demands otherwise;
- All fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed;
- Where assets are traded in for other assets, the highest possible trade-in price is negotiated; and
- In the case of the free disposal of computer equipment, the provincial department of education is first approached to indicate within 30 days whether any of the local schools are interested in the equipment.

We are complying with section 14 of the MFMA which deals with the disposal of capital assets. The disposal process plan was finalized in August 2010 and aims to provide the guidelines for the disposal of all obsolete and damaged assets. Information regarding assets that are to be disposed of has already been collated and the request for approval for disposal will be tabled to Council.

#### 2.8.6 Performance Management

The SCM policy requires that an internal monitoring system be established and implemented in order to determine, on the basis of retrospective analysis, whether the SCM processes were followed and whether the objectives of the SCM policy were achieved.

Monitoring of internal processes is an on-going process.

Three of the most important key performance indicators in the SCM unit, is that of turnaround time from the date that requests are received from departments until bids are adjudicated and awarded. The following table details the performance for each of those key performance indicators:



Key performance indicator	2011/12	2012/13	
Ensure that tenders are successfully finalised and awarded within the validity period of the tender to enhance effective delivery of services	90%	95%	
Submit within 10 days of each quarter a report on the implementation of the supply chain management policy	4 reports	4 report	
Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 Successful appeals	0 Successful appeals	

Table 73:SCM performance indicators

#### 2.8.7 Findings of the Auditor- General on Procurement and Contract Management

Progress has been made with regards to the 2011/12 Auditor-General's audit findings on SCM. With regards to the finding on the "Incorrect declaration of interest made" by suppliers, all suppliers must now complete declaration forms with each tender and the names of the directors and their ID numbers are send to the Provincial Treasury on a quarterly basis to verify if any of them are in the service of the state.

#### 2.9 By-Laws and Policies

Section 11 of the MSA gives municipal Councils the executive and legislative authority to pass and implement bylaws and policies.

The following by-laws were revised during the 2012/13:

By-laws developed/revised	Date of Publication		
By-law on Liquor Trading Days and hours	8 March 2013		
Tariff By-law	15 March 2013		
Rules of Order	1 March 2013		

Table 74: By-laws

Below is a list of all the policies developed and reviewed during the financial year:

Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy (Yes/No)	Date of Publication	
Anti Fraud and Anti Corruption Policy, Strategy and Implementation Plan (Revised)	28 November 2012	Yes	Not applicable	
Risk Management Policy and Risk Management Strategy and Implementation Plan (Developed/Revised)	28 November 2012	Yes	Not applicable	
Municipal Supply Chain Management Policy (Revised)	29 May 2013	Yes	Not applicable	



Policies developed/ revised	Date adopted	Public Participation Conducted Prior to adoption of policy (Yes/No)	Date of Publication
Customer Care, Credit Control and debt Collection (Revised)	29 May 2013	Yes Not applicable	
Indigent Policy (Revised)	29 May 2013	Yes	Not applicable
Tariff Policy (Revised)	29 May 2013	Yes	Not applicable
Property Rates Policy (Revised)	29 May 2013	Yes	Not applicable
Cash Management and Investment Policy (Revised)	29 May 2013	Yes	Not applicable
Asset Management Policy (Revised)	29 May 2013	Yes	Not applicable
Virement Policy (Revised)	29 May 2013	Yes	Not applicable
Funding, Borrowing and Reserve Policy (Revised)	29 May 2013	Yes	Not applicable
Recruitment and Selection Policy and Council Vehicle Policy (Developed)	26 September 2012	Yes	Not applicable
Policy on House Taverns and Unlicensed Shebeens for George Municipality (Developed)	19 June 2013	Yes	Not applicable
Policy on House Shops for the George Municipality (Revised)	28 November 2012	Yes Not applicab	
Experiential Training Policy (Revised)	28 November 2012	Yes	Not applicable
Draft Succession Planning and Career Path Policy (Revised)	28 November 2012	Yes	Not applicable
Draft Personal Protective Equipment Policy (Developed)	28 November 2012	Yes Not applicable	
Draft Placement Process Policy (Revised)	28 November 2012	Yes Not applicable	
Overtime Policy (Revised)	28 November 2012	Yes Not applicable	
Acting Policy (Revised)	28 November 2012	Yes	Not applicable
Draft Training and Development Policy (Revised)	28 November 2012	Yes Not applicable	
Economic Revitalisation Policy (Investment Incentive Policy) (Revised)	20 March 2013	Yes Not applicable	

Table 75: Policies



#### 2.10 Website

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents for the 2013/14 budget	Yes	5 June 2013
All current budget-related policies for the 2013/14 budget	Yes	5 June 2013
The annual report for 2011/12	Yes 19 February 2013	
The annual report for 2012/13 to be published	No	Not yet available
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act for 2012/13 and resulting scorecards	Yes	11 September 2012
All service delivery agreements for 2012/13	Yes	Continuously
All long-term borrowing contracts for 2012/13	Yes	Not applicable for 2012/13
All supply chain management contracts above a prescribed value (give value) for 2012/13	Yes	Continuously
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2012/13	Yes	6 August 2013
Contracts agreed in Year 1 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	Not applicable	n/a
Public-private partnership agreements referred to in section $120$ made in $2012/13$	Not applicable	Not applicable
All quarterly reports tabled in the council in terms of section $52$ (d) during $2012/13$	Yes	Quarter 1: 17 october 2012 Quarter 2: 19 February (Sec72) Quarter 3: 5 June 2013 Quarter 4: 24 July 2013

Table 76: Website Checklist

#### 2.11 Communication

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of the Republic of South Africa Act 1996 and other statutory enactments all impose an obligation on local government communicators and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.



Good customer care is clearly of fundamental importance to any organisation. A successful communication strategy therefore links the people to the municipality's programme for the year.

Below is a communication checklist of the compliance to the communication requirements:

Communication activities	Yes/No
Communication unit	Yes
Communication strategy	In process
Communication policy	In process
Customer satisfaction surveys	No
Functional complaint management systems	Yes
Newsletters distributed at least quarterly	Yes

Table 77: Communication Activities





## **CHAPTER 3: Service Delivery Performance**

#### 3.1 OVERVIEW OF PERFORMANCE WITHIN THE ORGANISATION

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether targets to meet its strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an "accountable government". The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community,
- and to facilitate a culture of public service and accountability amongst staff.

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, *inter alia*, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

### Legislative requirements

In terms of section 46(1)(a) a municipality must prepare for each financial year a performance report reflecting the municipality's and any service provider's performance during the financial year, including comparison with targets of and with performance in the previous financial year. The report must, furthermore, indicate the development



and service delivery priorities and the performance targets set by the municipality for the following financial year and measures that were or are to be taken to improve performance.

#### Organisation performance

Strategic performance indicates how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical. Municipalities must develop strategic plans and allocate resources for the implementation. The implementation must be monitored on an on-going basis and the results must be reported on during the financial year to various role-players to enable them to timeously implement corrective measures where required.

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the National Key Performance Areas, performance on the National Key Performance Indicators prescribed in terms of section 43 of the Municipal Systems Act, 2000 and an overall summary of performance on a functional level.

### A) Performance system followed for the financial year 2012/13

#### Adoption of a Performance Management Framework

The Municipality adopted a Performance Management Framework that was approved by Council in **26 October 2011** and it continues to be used as a guideline to assist George Municipality in implementing and maintaining performance management processes.

### The IDP and the budget

The IDP and the Budget for 2012/13 were approved on **29 May 2012** by Council. The IDP, Budget and performance management is undertaken as a single and integrated process. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

### B) Service Delivery Budget Implementation Plan

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibility to directorates to deliver the services in terms of the IDP and budget.

The MFMA Circular No.13 prescribes that:

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- The IDP and budget must be aligned
- The budget must address the strategic priorities
- The SDBIP should indicate what the municipality is going to do during next 12 months
- The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

The SDBIP were prepared as described in the paragraphs below and the Top Layer SDBIP approved by the Executive Mayor on the **26 June 2012**.

#### The municipal scorecard (Top Layer SDBIP)

The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- One-year detailed plan, but should include a three-year capital plan
- The 5 necessary components includes:
- Monthly projections of revenue to be collected for each source
  - o Expected revenue to be collected NOT billed
- Monthly projections of expenditure (operating and capital) and revenue for each vote
  - Section 71 format (Monthly budget statements)
- Quarterly projections of service delivery targets and performance indicators for each vote
  - o Non-financial measurable performance objectives in the form of targets and indicators
  - Output NOT input / internal management objectives
  - o Level and standard of service being provided to the community
- Ward information for expenditure and service delivery
- Detailed capital project plan broken down by ward over three years

The following diagram illustrates the establishment, components and review of the municipal scorecard (Top Layer SDBIP):

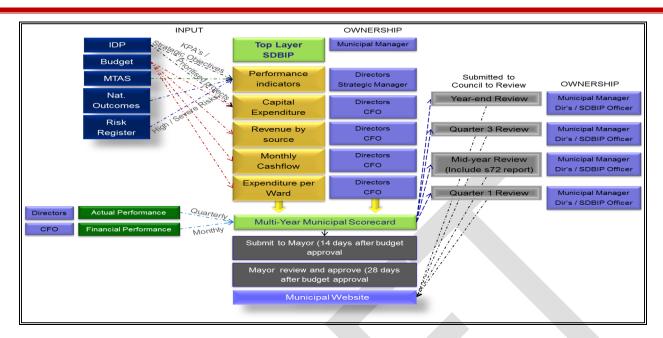


Figure 2: Review of the municipal scorecard (Top Layer SDBIP)

Top Layer KPI's were prepared based on the following:

- Key performance indicators (KPI's) for the programmes / activities identified to address the strategic objectives as documented in the IDP.
- KPI's identified during the IDP and KPI's that need to be reported to key municipal stakeholders.
- KPI's to address the required National Agenda Outcomes, priorities and minimum reporting requirements.

It is important to note that the municipal manager needs to implement the necessary systems and processes to provide the POE's for reporting and auditing purposes.

### Directorate/Departmental scorecards

The directorate and departmental scorecards (detail SDBIP) capture the performance of each defined directorate or department. Unlike the municipal scorecard, which reflects on the strategic performance of the municipality, the departmental SDBIP provide detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate. It was compiled by **senior managers** for their **directorate** and consists of objectives, indicators and targets derived from the approved Top Layer SDBIP, the approved budget and measurable service delivery indicators related to each functional area.

The following diagram illustrates the establishment, components and review of the departmental SDBIP:

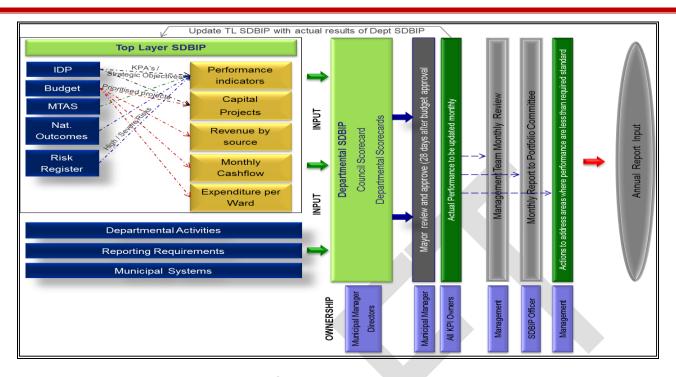


Figure 3: Review of the departmental SDBIP

KPI's were developed for all the directorates.

#### The KPI's:

- Address the TL KPI's by means of KPI's for the relevant section responsible for the KPI.
- Include identifed capital projects KPI's for projects. The targets are aligned with the projected monthly budget and project plans.
- Address the key departmental activities.
- Each KPI have clear monthly targets and are assigned to the person responsible for the KPI's.

### **Actual performance**

The municipality utilizes an electronic web based system on which KPI owners update actual performance on a monthly basis. KPI owners report on the results of the KPI by documenting the following information on the performance system:

- The actual result in terms of the target set.
- The output/outcome of achieving the KPI.
- The calculation of the actual performance reported. (If %)
- A performance comment.
- Actions to improve the performance against the target set, if the target was not achieved.



It is the responsibility of every KPI owner to maintain a portfolio of evidence to support actual performance results updated.

#### Monitoring of the Service Delivery Budget Implementation Plan

Municipal performance is measured as follows:

- Mid-year assessment and submission of the mid-year report to the Mayor in terms of section of Section 72(1) (a) and 52(d) of the MFMA to assess the performance of the municipality during the first half of the financial year.
- Actual performance is subjected to an internal audit and results of their findings submitted to the Performance Audit Committee.

### C) Individual Performance

#### Municipal Manager and Managers directly accountable to the Municipal Manager

The MSA prescribes that the municipality must enter into performance based agreements with the Municipal Manager and Managers directly accountable to the Municipal Manager (s57-employees) and that performance agreements must be reviewed annually. This process is further regulated by the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (GNR. 805 August 2006). The performance agreements for the Section 57 appointments for the 2012/13 financial year were signed by 31 July 2012 as prescribed. Only five performance agreements were signed during July 2012, these included the following: Municipal Manager, Director: Civil Engineering Services, Director: Planning and Housing, Director: Environmental Affairsand Sport and Director: Electro-Technical Services.

The following positions were having officials on an acting capacity:

- Director: Community Safety;
- Director: Corporate and Social Services; and
- Chief Financial Officer.

The Chief Financial Officer was subsequently appointed and signed his performance agreement on 18 December 2012. Furthermore, the Director: Corporate Services was appointed and a performance agreement is signed for the 2013/14 financial year.

George Municipality has undergone a process of reviewing its macro-organisational structure whereby the municipality conducted a clinical and critical analysis of its performance in the past decade within a broader institutional framework and set targets. The overall objective was to ensure that an economic, effective and efficient administration is established, one which is informed by the strategies and programmes set out in the IDP. This resulted in fewer directorates. The Environmental Affairs and Sport and Community Safety Directorates were



merged and the new Directorate is now known as Community Services which also incorporates social and library services. The Planning and Housing Directorate is now known as Planning, Land Affairs and Human Settlements.

The appraisal of the actual performance in terms of the signed agreements takes place twice per annum as regulated. The appraisals are conducted by an evaluation panel as stipulated in the signed performance agreements and in terms of Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, 2006 (GNR. 805 August 2006) and consisting of the following:

- ♦ Executive Mayor
- Portfolio Chairperson
- Municipal Manager
- Chairperson of the Audit Committee
- Municipal Manager from another municipality

#### Other Municipal Personnel

The municipality is in process of implementing individual performance management to lower level staff in annual phases.



### 3.2 Strategic Service Delivery Budget Implementation Plan (Top Layer)

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section should provide an overview on the strategic achievement of a municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements

In the paragraphs below the performance achieved is illustrated against the Top Layer SDBIP according to the Strategic objectives.

The following table explains the method by which the overall assessment of actual performance against targets set for the key performance indicators (kpi's) of the SDBIP is measured:

Category Color Explanation		Explanation
KPI's Not Yet Measured		KPIs with no targets or actuals in the selected period.
KPI's Not Met		0% >= Actual/Target < 75%
KPI's Almost Met		75% >= Actual/Target < 100%
KPI's Met		Actual/Target = 100%
KPI's Well Met		100% > Actual/Target < 150%
KPI's Extremely Well Met		Actual/Target >= 150%

Figure 4: SDBIP Measurement Categories

The overall performance results achieved by the Municipality in terms of the Top Layer SDBIP are indicated in the table and graph below according to the Strategic Objectives:

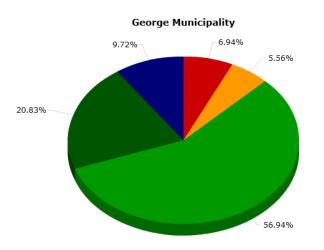
		Strategic Objective					
	George Municipality	Deliver Quality Services in George	Good Governance in George	Grow George	Keep George Safe & Green	Participate in George	
KPI Not Met	5 (6.9%)	2 (11.8%)	1 (2.8%)	-	1 (12.5%)	1 (14.3%)	
KPI Almost Met	4 (5.6%)	1 (5.9%)	2 (5.6%)	-	1 (12.5%)	-	
KPI Met	41 (56.9%)	8 (47.1%)	23 (63.9%)	4 (100%)	1 (12.5%)	5 (71.4%)	
KPI Well Met	<u>15 (20.8%)</u>	3 (17.6%)	10 (27.8%)	-	1 (12.5%)	1 (14.3%)	
KPI Extremely Well Met	7 (9.7%)	3 (17.6%)	-	-	4 (50%)	-	
Total:	72	17	36	4	8	7	

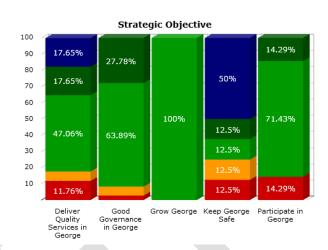
Table 78: Top Layer SDBIP Performance per Strategic objective



### 3.2.1 Overall performance

#### The graph below displays the overall performance per Strategic Objective for 2011/12:





Graph 2: Overall Strategic performance per Strategic Objective

#### 3.2.2 Actual strategic performance and corrective measures that will be implemented

#### a) Top Layer SDBIP - Deliver Quality Services in George

							Ove	rall Perfo	ormance of	2012/13		
		Unit of		Previous Year			Targets	;				Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		Measures for targets not achieved
TL1	Formal households with access to basic level of sewerage services	% of households	All	98%	95%	95%	95%	95%	95%	95.25%	G 2	n/a
TL2	Sewerage purified to requireme nts of SANS (Green Drop)	% compliance	All	89%	90%	90%	90%	90%	90%	82.67%	0	Target met
TL3	Formal households with access to basic level of water	% of households	All	96%	95%	95%	95%	95%	95%	95%	G	n/a
TL4	Limit water losses through network	% of losses	All	2.76%	10%	10%	10%	10%	10%	10.66%	R	Target met and be adjusted
TL5	Limit water losses	% of losses	All	7.05%	10%	10%	10%	10%	10%	7.65%	В	n/a



							Ove	rall Perfo	rmance of	2012/13		
Ref	KPI	Unit of Measure-	Wards	Previous Year			Targets					Corrective Measures
		ment		Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		for targets not achieved
	through purification											
TL6	Water purified to meet SANS requireme nts	% compliance	All	96.10%	95%	95%	95%	95%	95%	95.30%	G 2	n/a
TL7	Formal households with access to storm water services	% of households	All	75%	75%	75%	75%	75%	75%	75%	G	n/a
TL8	Tarred roads resealed within budget availability	Km of roads resealed	All	7km	0	0	2	3	5	5	O	n/a
TL9	Water Service Developme nt Plan completed and submitted to Council by the end of May 2013	% completed	All	100%	0%	0%	0%	100%	100%	100%	G	n/a
TL10	Integrated Transport Plan completed and submitted to Council by the end of May 2013	% completed	All	100%	0%	0%	0%	50%	50%	0%	R	Currently being revised to include Uniondale and Haarlem
TL13	Gender Developme nt is based on a policy and the implement ation of Awareness programm es ,events, projects, empowerm ent consultatio n forums to meet the municipal objective	No of projects implemente d	All	4	1	1	1	1	4	4	O	n/a



							Ove	rall Perfo	rmance of	2012/13		
Ref	KPI	Unit of Measure-	Wards	Previous Year			Targets	i I				Corrective Measures
		ment		Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		for targets not achieved
TL18	Disability Developme nt is based on a policy and the implement ation of Awareness programs ,events, projects,	No of projects	All	3	0	1	1	1	3	3	G	n/a
TL52	Limit electricity system losses	% losses	All	5.74%	10%	10%	10%	10%	10%	6.61%	В	n/a
TL53	Electricity master plan updated and aligned with budget & IDP by the end of May	% aligned	All	100%	15%	30%	95%	95%	95%	100%	G 2	n/a
TL54	Percentage of households in informal areas with access to basic level of electricity as planned by the Departmen t of Planning and Housing (subject to availability of funds)	% of informal households with access as planned	All	90%	21.80	21.80 %	21.80 %	21.80 %	21.80%	44.01%	В	n/a
TL55	Percentage of new informal areas supplied with electricity as planned (subject to availability of funds)	% of informal households with supply	All	90%	40%	60%	80%	95%	95%	95%	G	n/a
TL106	Implement ation of Integrated Human	Amount of subsidised funding secured	All	New KPI	R 0	R 0	R 0	R 14,000 ,000	R 14,000, 000	R 14,000, 000	G	n/a



							Ove	rall Perfo	rmance of	2012/13	
		Unit of		Previous Year			Targets				Corrective Measures
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual	for targets not achieved
	Settlement Strategy measured by the % implement ed or % adherence to policy or no of projects complying with approved strategy by the end of June	(subject to the approval of funding from PGWC)									

Table 79: Top Layer SDBIP - Deliver Quality Services in George

### b) Top Layer SDBIP- Good Governance in George

							Ove	rall Perfo	rmance of	2012/13	
		Unit of		Previous Year			Targets	5			Corrective Measures
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual	for targets not achieved
TL46	Targeted skills development measured by the implementa tion of the workplace skills plan and spending l % of operational budget on training	% of the budget spent on implementation of the WSP	All	100%	25%	25%	25%	25%	100%	100%	G n/a
TI48	Creation of an effective institution with sustainable capacity by limiting the vacancy rate to less than 25% of the budgeted posts.	% Vacancy level as % of approved organogram (Budgeted)	All	New KPI	25%	25%	25%	25%	25%	25%	G n/a
TL60	Provision of free basic	No of HH receiving	All	30998	33,000	33,000	33,000	33,000	33,000	33,899	G n/a



							Ove	rall Perfo	rmance of	2012/13		
Ref	КРІ	Unit of Measure- ment	Wards	Previous Year Perfor- mance	Q1	Q2	Targets Q3	Q4	Annual	Actual		Corrective Measures for targets not achieved
	water in terms of the equitable share requiremen ts	free basic water										
TL61	Quantum of free basic water per household in terms of the equitable share requirements	Quantum (KI) of free basic water provided per household pm	All	6KL	6	6	6	6	6	6	G	n/a
TL62	Provision of free basic sanitation in terms of the equitable share requirements	No of HH receiving free basic sanitation	All	16347	15,388	15,388	15,388	15,388	15,388	15,448	G 2	n/a
TL63	Provision of free basic sanitation in terms of the equitable share requirements	Quantum (R) of free basic sanitation provided per HH pm	All	R 94	R 130.14	R 130.14	R 130.14	R 130.14	R 130.14	R 130.14	G	n/a
TL64	Provision of free basic electricity in terms of the equitable share requirements	No of HH receiving free basic electricity	All	33281	15,388	15,388	15,388	15,388	15,388	15,448	G 2	n/a
TL65	Provision of free basic electricity in terms of the equitable share requirements	Quantum (kWh) of free basic electricity per indigent household	All	70kwh	50	50	50	50	50	50	G	n/a
TL66	Provision of free basic refuse removal in terms of the equitable share requirements	No of HH receiving free basic refuse removal	All	12138	15,388	15,388	15,388	15,388	15,388	15,448	G 2	n/a



							Ove	rall Perfo	rmance of	2012/13		
		Unit of		Previous Year			Targets					Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		Measures for targets not achieved
TL67	Provision of free basic refuse removal in terms of the equitable share requirements	Quantum (R) of free basic refuse removal per month per household	All	R 95	R 103	R 103	R 103	R 103	R 103	R 103	Ö	n/a
TL68	Financial viability measured in terms of the municipality 's ability to meet its service debt obligations	Debt coverage ((Total operating revenue- operating grants received)/d ebt service payments due within the year)	All	7.9	0	0	0	17.1	17.1	14.4	0	Will change with final AFS
TL69	Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	13.20%	0	0	0	13.2	13.2	13.3	G 2	n/a
TL70	Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments )/ Monthly fixed operating expenditure	All	3.25	0	0	0	2.6	2.6	3.2	G 2	n/a
TL71	Compliance with GRAP 16, 17 & 102 to ensure effective asset manage- ment	0 findings in the audit report on non- compliance	All	0	0	0	0	0	0	0	G	n/a
TL72	Achieve a revenue collection rate of more that 95%	% Debt recovery rate	All	98%	95%	95%	95%	95%	95%	95.70%	G 2	n/a
TL74	Submit the financial statements to the Auditor-	Annual financial statements submitted	All	100%	1	0	0	0	1	1	G	n/a



							Ove	rall Perfo	rmance of	2012/13		
P. C	T/DI	Unit of	¥17 1-	Previous Year			Targets	5				Corrective Measures
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		for targets not achieved
	General by 31 August											
TL75	Improve- ment in capital conditional grant spending measured by the % spent	% of the grant spent	All	100%	0%	0%	0%	100%	100%	121.42%	<b>G</b> 2	n/a
TL76	Improve- ment in operational conditional grant spending measured by the % spent	% of the grant spent	All	100%	0%	0%	0%	100%	100%	95.30%	0	Could change with final AFS
TL77	Compliance with the SCM Act measured by the limitation of successful appeals against the municipality	0 successful appeals	All	0	0	0	0	0	0	2	R	Improved SCM processes
TL78	Preparation and submit the draft main budget to council for approval by 31 March	Submission of draft main budget to Council by 31 March	All	100%	0	0	1	0	1	1	G	n/a
TL80	To submit the draft main budget to Council by the legislative deadline.	Main budget submitted to Council before the end of May	All	100%	0	0	0	1	1	1	O	n/a
TL81	Submit the adjustment budget to Council by the legislative deadline	Adjustments Budget submitted to Council before the end of February	All	100%	0	0	1	0	1	1	G	n/a
TL82	Facilitate functioning of council measured in terms of the	No of council meetings per annum	All	11	3	3	3	3	12	12	G	n/a



							Ove	rall Perfo	rmance of	2012/13		
Ref	KPI	Unit of Measure-	Wards	Previous Year			Targets	5				Corrective Measures
1101		ment	Wazas	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		for targets not achieved
	number of council meetings per annum											
TL83	Facilitate functioning of the committee system measured by the number of committee meetings per committee per quarter	No of sec 79 committee meetings per committee per quarter	All	14	1	1	1	1	4	4	G	n/a
TL84	Integrated developme nt planning measured by the alignment of the municipal spending with IDP	The percentage of a municipality 's capital budget spent on capital projects identified in the IDP	All	100%	0%	0%	0%	100%	100%	100%	O	n/a
TL85	The Top Layer SDBIP is submitted to the Mayor within 28 days after the Main Budget has been approved	Top Layer SDBIP submitted to the mayor within 28 days after the Main Budget has been approved	All	100%	0	0	0	1	1	1	O	n/a
TL87	IDP and Sectoral Plans aligned with Spatial develop- ment plan	% alignment	All	100%	100%	100%	100%	100%	100%	100%	G	n/a
TL88	IDP submitted by the end of May	IDP submitted by the end of May	All	100%	0	0	0	1	1	1	G	n/a
TL89	The IDP is comprehen sive and complies with the require- ments of the Systems Act	No of required Sectoral Plans included in the IDP	All	8	0	0	0	8	8	8	G	n/a

							Ove	rall Perfo	rmance of	2012/13		
		Unit of		Previous Year			Targets	5				Corrective Measures
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		for targets not achieved
TL95	No of Section 57 perfor- mance agreements signed by the end of July	No of performanc e agreements signed	All	4	6	0	0	0	6	6	O	n/a
TL96	Annual report and oversight report of council submitted before the end of March	Report submitted to Council	All	100%	0	0	1	0	1	1	G	n/a
TL97	Facilitate functional perfor- mance audit committee measured by the number of meetings per annum	No of meetings held	All	7	1	1	1	1	4	4	O	n/a
TL98	Risk based audit plan approved by June 2013	Plan approved	All	100%	0	0	0	1	1	1	G	n/a
TL99	Revision of disaster managemen t plan Managemen t by the end of May 2013 to ensure compliance with the necessary legislation	Plan revised	All	New KPI	0	0	0	1	1	1	O	n/a
TL100	Effective response to all queries raised in the audit report and manage depart- mental budget	% of Capital budget spent less savings	All	91.80%	0%	0%	0%	90%	90%	100%	G 2	n/a
TL101	Effective response to all queries raised in the audit report and manage	% of Operating budget spent (excluding votes	All	91.50%	0%	0%	0%	90%	90%	98%	G 2	n/a



							Ove	rall Perfo	rmance of	2012/13	
		Unit of		Previous Year			Targets	;			Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual	Measures for targets not achieved
	departmen- tal budget	managed by Finance Department and grant funding)									

Table 80: Top Layer SDBIP – Good Governance in George

# c) Top Layer SDBIP- Grow George

							Ove	rall Perfo	rmance of	2012/13		
		Unit of		Previous Year			Targets	5				Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	<b>Q</b> 3	Q4	Annual	Actual		Measures for targets not achieved
TL39	Number of special events and health cam- paigns organize.	No. of events held	All	4	0	2	1	1	4	4	G	n/a
TL47	The number of job opportunitie s created through EPWP	Number of job opportunitie s (FTE's) created	All	New KPI	30	50	50	38	168	168	G	n/a
TLS1	Economic Developme nt is driven by a strategy	Economic Developme nt Strategy implementa tion - number of projects implemen- ted	All	New KPI	1	2	0	1	4	4	G	n/a
TL107	High Level Economic engage- ment with Public and Private Sector bodies, organi- sations and entities	Number of meetings attended	All	New KPI	2	2	2	2	8	8	G	n/a

Table 81:Top Layer SDBIP - Grow George



## d) Top Layer SDBIP - Keep George Safe & Green

							Over	all Perfor	mance of 2	012/13		
		Unit of		Previous Year			Targets	5				Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		Measures for targets not achieved
TL56	Minimise waste in terms of recycling	Tons waste recycled	All	1309	300	300	300	300	1,200	9,185	В	n/a
TL57	Household refuse collected (transfer station)	Tons of refuse collected	All	23229	7,750	7,750	7,750	7,750	31,000	29,746	0	Report from transfer station
TL59	Environmen tal health information sessions held for the public to inform and educate	Number of sessions	All	7	2	2	2	2	8	9	G 2	n/a
TL108	To provide an effective and efficient law enforcemen t and emergency service to the community of George in the quest to protect and promote the fundamental rights of live.	Number of violation notices issued	All	5513	1,250	1,250	1,250	1,250	5,000	145,975	В	n/a
TL109	To provide an effective and efficient law enforcemen t and emergency service to the community of George in the quest to protect and promote the fundamental rights of live.	Number of roadblocks and VCP'S carried out	All	4	1	1	1	1	4	100	В	n/a
TL110	To provide an effective and efficient	Number of road safety	All	12	3	3	3	3	12	154	В	n/a



							Ove	all Perfor	mance of 2	2012/13		
		Unit of		Previous Year			Target	5				Corrective
Ref	KPI	Measure- ment	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual		Measures for targets not achieved
	law enforcemen t and emergency service to the community of George in the quest to protect and promote the fundamental rights of live.	educational events										
TL111	To provide an effective and efficient law enforcemen t and emergency service to the community of George in the quest to protect and promote the fundamental rights of live.	Average reaction time to fires as from the incident reports. Number of minutes taken	All	12	8	8	8	8	32	32	O	n/a
TL112	To provide an effective and efficient law enforcemen t and emergency service to the community of George in the quest to protect and promote the fundamental rights of live	Number of fire prevention inspections conducted.	All	212	60	60	60	60	240	61	R	Less requests received than expected

Table 82:Top Layer SDBIP – Keep George Safe & Green



# e) Top Layer SDBIP- Participate in George

							Over	all Perfor	mance of 2	012/13	
D-f	7777	Unit of	¥171	Previous Year			Targets				Corrective Measures
Ref	KPI	Measurem ent	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual	for targets not achieved
TL32	Implementa tion/ support and monitoring through awareness, education, training & skills develop- ment sessions	Number of sessions held	All	80	15	15	15	15	60	60 0	n/a
TL90	The municipality consults with the community by ensuring that the IDP is consulted with all wards	No of ward committees consulted	All	25	0	25	0	25	25	25	n/a
TL91	Strengthen the role of communi- ties by developing ward based develop- ment plans	No of ward based develop- ment plans completed	All	25	0	0	0	25	25	25 (	5 n/a
TL92	Effective communica tion with communitie s through the develop- ment of an extensive communi- cation policy by June	Development of an all inclusive external and internal communication policy by 2012/2013 Financial Year	All	50%	0	0	0	1	1	0 F	Still in process
TL93	Facilitate functioning of ward committees to ensure consistent and regular communica tion with residents	No of ward committee meetings per annum	All	100%	25	25	25	25	25	25 (	n/a
TL94	To determine citizen	Citizen satisfaction survey	All	100%	0	1	0	0	1	1 0	n/a

							Over	all Perfor	mance of 2	2012/13	
		Unit of		Previous Year			Targets	•			Corrective Measures
Ref	KPI	Measurem ent	Wards	Perfor- mance	Q1	Q2	Q3	Q4	Annual	Actual	for targets not achieved
	satisfaction by undertakin g a satisfaction survey by December	conducted by December annually									
TL105	Process 80% of all complaints received within 7 working days after being reported	% implementa tion	All	New KPI	80%	80%	80%	80%	80%	100%	G n/a

Table 83:: Top Layer SDBIP - Participate in George

### 3.3 Service Providers Strategic Performance

Section 76(b) of the MSA states that KPIs should inform the indicators set for every municipal entity and service provider with whom the municipality has entered into a service delivery agreement. A service provider:

- means a person or institution or any combination of persons and institutions which provide to or for the benefit of the local community
- External service provider means an external mechanism referred to in section 76(b) which provides a municipal service for a municipality
- Service delivery agreement means an agreement between a municipality and an institution or person mentioned in section 76(b) in terms of which a municipal service is provided by that institution or person, either for its own account or on behalf of the municipality

The purpose of this section is to provide information related to the performance of identified external service providers.

The tables below indicates service providers utilised according to functional areas:

### a) Municipal Manager

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Ernst & Young	2012/13	Internal Audit Services	Excellent	n/a	n/a

Table 84:: Service providers - Municipal Manager

# b) Planning and Housing

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Section 1,2 and 3: Hayward Building Supplies T/A Built LT	2012/13	Supply and deliver of building material for flood and fire emergencies	Satisfactory	n/a	n/a

Table 85:: Service providers - Planning and Housing

#### c) Electro Technical Services

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
ITRON	2012/13	Management of prepayment system, ad hoc services, super vending, 3 rd party vending, revenue protection and bank cash deposits	Excellent	n/a	n/a

Table 86:: Service providers – Electro Technical Services

# d) Community Services

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Syntell (PTY)LTD	2012/13	Supply, Maintenance and Calibration of speed and red- light violation cameras and the administration of a back-office	Good	n/a	n/a
Borchards Recycle	2012/13	Collecting of blue bags	Good	n/a	n/a
Enviro Services	2012/13	Transportation of waste containers to Petro SA	Excellent	n/a	n/a

Table 87:: Service providers – Community Services

# e) Civil engineering Services

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
Huber Technology	2012/13	Gwaing sludge Handling	Good	n/a	n/a
Royal Haskoning DHV	2012/13	Gwaing sludge Handling	Good	n/a	n/a

Table 88:: Service providers – Civil Enginering Services

#### f) Finance

Name of service provider	Term of contract	Performance areas	Performance rating	Performance comment	Corrective measures
LITHOTEC	2012/13	Printing of accounts	Good	n/a	n/a
SEBATA	2012/13	Reading of meters	Satisfactory	<ul> <li>Monthly meters reading meetings</li> <li>Project plan to reduce the number of estimates</li> <li>Complication of statistics to indicate improvement or deterioration</li> </ul>	Open communication channels to discuss issues Pre-empting of problem areas and acting on it Issues to be addressed in the S.L.A

Table 89:: Service providers – Finance

# 3.4 Municipal Functions

The municipal functional areas are as indicated below:

Municipal Function	Municipal Function: Yes / No
Constitution Schedule 4, Part B functions:	
Air pollution	Yes
Building regulations	Yes
Child care facilities	Yes
Electricity and gas reticulation	Only electricity
Fire fighting services	Yes
Local tourism	Yes
Municipal airports	No
Municipal planning	Yes
Municipal health services	No
Municipal public transport	No



Municipal Function	Municipal Function: Yes / No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No
Stormwater management systems in built-up areas	Yes
Trading regulations	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	No
Constitution Schedule 5, Part B functions:	
Beaches and amusement facilities	Yes
Billboards and the display of advertisements in public places	Yes
Cemeteries, funeral parlours and crematoria	Yes
Cleansing	Yes
Control of public nuisances	Yes
Control of undertakings that sell liquor to the public	Yes from 2013
Facilities for the accommodation, care and burial of animals	Yes
Fencing and fences	Yes
Licensing of dogs	No
Licensing and control of undertakings that sell food to the public	Yes
Local amenities	Yes
Local sport facilities	Yes
Markets	No
Municipal abattoirs	No
Municipal parks and recreation	Yes
Municipal roads	Yes
Noise pollution	Yes
Pounds	Yes
Public places	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes
Street trading	Yes
Street lighting	Yes
Traffic and parking	Yes

Table 90: Functional Areas



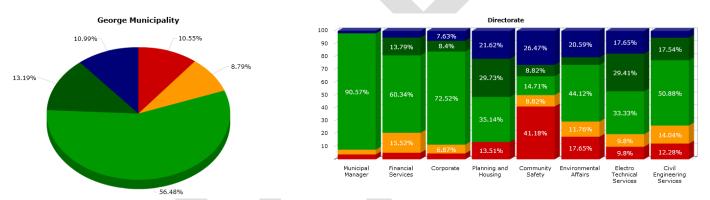
### 3.5 Overview of performance per Directorate

The performance statistics in the table below and all the graphs in the following sub paragraphs include performance in terms of the SDBIP for the 2012/13 financial year. The graphs provide and illustrative overview of the overall performance results of all the KPI's measured as at 30 June 2013.

	George Municipality	Directorate								
		Municipal Manager	Financial Services	Corporate & Social Services	Planning and Housing	Community Safety	Environmental Affairs	Electro Technical Services	Civil Engineering Services	
KPI Not Met	48 (10.5%)	2 (3.8%)	3 (5.2%)	6 (4.6%)	5 (13.5%)	14 (41.2%)	6 (17.6%)	5 (9.8%)	7 (12.3%)	
KPI Almost Met	40 (8.8%)	2 (3.8%)	9 (15.5%)	9 (6.9%)	-	3 (8.8%)	4 (11.8%)	5 (9.8%)	8 (14%)	
KPI Met	257 (56.5%)	48 (90.6%)	35 (60.3%)	95 (72.5%)	13 (35.1%)	5 (14.7%)	15 (44.1%)	17 (33.3%)	29 (50.9%)	
KPI Well Met	60 (13.2%)	-	8 (13.8%)	11 (8.4%)	11 (29.7%)	3 (8.8%)	2 (5.9%)	<u>15 (29.4%)</u>	10 (17.5%)	
KPI Extremely Well Met	50 (11%)	1 (1.9%)	3 (5.2%)	10 (7.6%)	8 (21.6%)	9 (26.5%)	7 (20.6%)	9 (17.6%)	3 (5.3%)	
Total:	455	53	58	131	37	34	34	51	57	

Table 91:Summary of total performance per Directorate

The following graph indicates the overall results of all the KPIs measured of the various directorates in terms of the municipal SDBIP performance management system:



Graph 3: Overall performance of directorates for 2012/13

### 3.6 Performance per Functional Area (Departmental SDBIP)

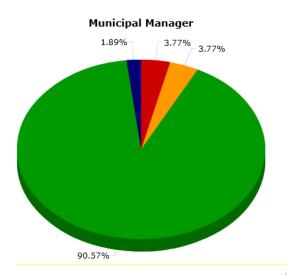
#### 3.6.1 Office of the Municipal Manager

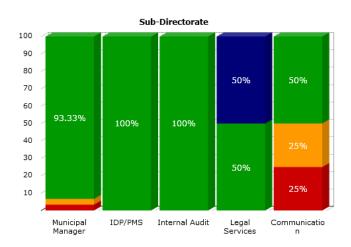
The Office of the Municipal Manager consists of the following divisions:

- Municipal Manager
- IDP/PMS
- ♦ Internal Audit
- Legal Services and Compliance
- Communication



The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Office of the Municipal Manager directorate in terms of the municipal SDBIP performance management system:





		Sub-Directorate							
	Municipal Manager	Municipal Manager	IDP/PMS	Internal Audit	Legal Services & Compliance	Communication			
KPI Not Met	2 (3.8%)	1 (3.3%)	-	-	-	<u>1 (25%)</u>			
KPI Almost Met	2 (3.8%)	1 (3.3%)	-	-	-	1 (25%)			
KPI Met	48 (90.6%)	28 (93.3%)	10 (100%)	7 (100%)	1 (50%)	2 (50%)			
KPI Well Met	-	-	-	-	-	-			
KPI Extremely Well Met	1 (1.9%)	-	-	-	1 (50%)	-			
Total:	53	30	10	7	2	4			

Graph 4: Office of the Municipal Manager performance per sub-directorate

#### 3.6.2 Corporate and Social Services

Corporate and Social Services consists of the following divisions:

Director: Corporate

Admin support: Committee services

Admin support: IT

Admin support: Auxiliary

Admin support: Registry

• Admin support: Libraries

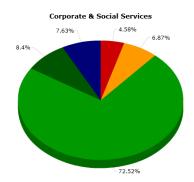
Community Development: Economic Development

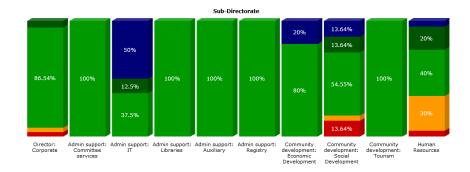
Community Development: Social Development

Community Development: Tourism

#### Human Resources

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Corporate and Social Services directorate in terms of the municipal SDBIP performance management system:





		Sub-Directorate										
	Corporate & Social Services	Director: Corporate & Social Services	Admin support: Committee services	Admin support: IT	Admin support: Libraries	Admin support: Auxiliary	Admin support: Registry	Community development: Economic Development	Community development: Social Development	Community development: Tourism	Human Resources	
KPI Not Met	6 (4.6%)	2 (3.8%)	-	-	-	-	-	-	3 (13.6%)	-	1 (5%)	
KPI Almost Met	9 (6.9%)	2 (3.8%)	-	-	-	-	-	-	1 (4.5%)	-	6 (30%)	
KPI Met	95 (72.5%)	45 (86.5%)	3 (100%)	3 (37.5%)	3 (100%)	4 (100%)	4 (100%)	8 (80%)	12 (54.5%)	5 (100%)	8 (40%)	
KPI Well Met	11 (8.4%)	3 (5.8%)	-	1 (12.5%)	-	-	-	-	3 (13.6%)	-	4 (20%)	
KPI Extremely Well Met	10 (7.6%)	-	-	4 (50%)	-	-	-	2 (20%)	3 (13.6%)	-	1 (5%)	
Total:	131	52	3	8	3	4	4	10	22	5	20	

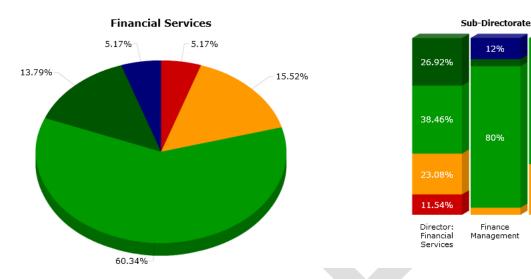
Graph 5: Corporate and Social Services performance per sub-directorate

#### 3.6.3 Financial Services

Financial Services consists of the following divisions:

- Director: Financial Services
- Finance Management
- Finance Operations

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Financial Services directorate in terms of the municipal SDBIP performance management system:



		Sub-Directorate							
	Financial Services	Director: Financial Services	Finance Management	Finance Operations					
KPI Not Met	3 (5.2%)	3 (11.5%)	-	-					
KPI Almost Met	9 (15.5%)	6 (23.1%)	1 (4%)	2 (28.6%)					
KPI Met	35 (60.3%)	10 (38.5%)	20 (80%)	5 (71.4%)					
KPI Well Met	8 (13.8%)	7 (26.9%)	1 (4%)	-					
KPI Extremely Well Met	3 (5.2%)	-	3 (12%)	-					
Total:	58	26	25	7					

Graph 6: Financial Services performance per sub-directorate

### 3.6.4 Community Safety

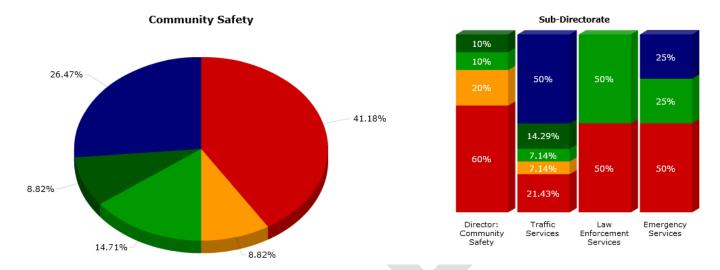
Community Safety consists of the following divisions:

- Director: Community Safety
- **♦** Traffic Services
- Law Enforcement Services
- Emergency Services

71.43%

Finance Operations

The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Community Safety directorate in terms of the municipal SDBIP performance management system:



		<b>Sub-Directorate</b>				
	Community Safety	Director: Community Safety	Traffic Services	Law Enforcement Services	Emergency Services	
KPI Not Met	14 (41.2%)	<u>6 (60%)</u>	3 (21.4%)	<u>1 (50%)</u>	4 (50%)	
KPI Almost Met	3 (8.8%)	2 (20%)	1 (7.1%)	-	-	
KPI Met	5 (14.7%)	1 (10%)	1 (7.1%)	1 (50%)	2 (25%)	
KPI Well Met	3 (8.8%)	1 (10%)	2 (14.3%)	-	-	
KPI Extremely Well Met	9 (26.5%)	-	<u>7 (50%)</u>	-	2 (25%)	
Total:	34	10	14	2	8	

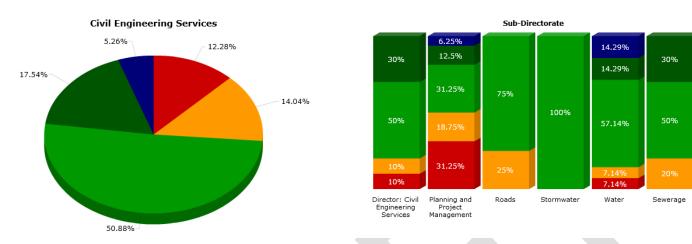
Graph 7: Community Safety sub-directorate performance

# 3.6.5 Civil Engineering Services

Civil Engineering Services consists of the following divisions:

- Director: Civil Engineering Services
- Planning and Project Management
- Roads
- Stormwater
- Water
- Sewerage

# The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Civil Engineering Services directorate in terms of the municipal SDBIP performance management system:



		Sub-Directorate					
	Civil Engineering Services	Director: Civil Engineering Services	Planning and Project Management	Roads	Stormwater	Water	Sewerage
KPI Not Met	7 (12.3%)	1 (10%)	<u>5 (31.3%)</u>	-	-	1 (7.1%)	-
KPI Almost Met	8 (14%)	1 (10%)	3 (18.8%)	1 (25%)	-	1 (7.1%)	2 (20%)
KPI Met	29 (50.9%)	<u>5 (50%)</u>	5 (31.3%)	3 (75%)	3 (100%)	8 (57.1%)	5 (50%)
KPI Well Met	10 (17.5%)	3 (30%)	2 (12.5%)	-	-	2 (14.3%)	3 (30%)
KPI Extremely Well Met	3 (5.3%)	-	1 (6.3%)	-	-	2 (14.3%)	-
Total:	57	10	16	4	3	14	10

Graph 8: Civil Engineering Services performance per sub-directorate

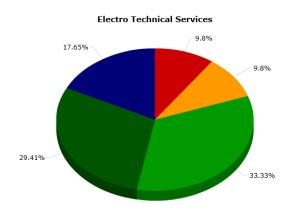
#### 3.6.6 Electro Technical Services

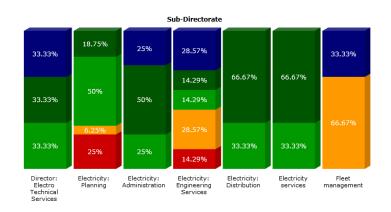
Electro Technical Services consists of the following divisions:

- Director: Electro Technical Services
- Planning
- Administration
- Engineering Services
- Distribution
- Services
- Fleet management



# The following graph indicates the overall results of all the KPI's measured of the various sub-directorates within the Electro Technical Services directorate in terms of the municipal SDBIP performance management system:





			Sub-Directorate Sub-Directorate						
	Electro Technical Services	Director: Electro Technical Services	Electricity: Planning	Electricity: Administration	Electricity: Engineering Services	Electricity: Distribution	Electricity services	Fleet management	
KPI Not Met	5 (9.8%)	-	4 (25%)	-	1 (14.3%)	-	-	-	
KPI Almost Met	5 (9.8%)	-	1 (6.3%)	-	2 (28.6%)	-	-	2 (66.7%)	
KPI Met	17 (33.3%)	5 (33.3%)	8 (50%)	1 (25%)	1 (14.3%)	1 (33.3%)	1 (33.3%)	-	
KPI Well Met	15 (29.4%)	5 (33.3%)	3 (18.8%)	2 (50%)	1 (14.3%)	2 (66.7%)	2 (66.7%)	-	
KPI Extremely Well Met	9 (17.6%)	5 (33.3%)	=	1 (25%)	2 (28.6%)	-	-	1 (33.3%)	
Total:	51	15	16	4	7	3	3	3	

Graph 9: Electro Technical Services performance per sub-directorate

#### 3.6.7 Planning and Housing

Planning and Strategic Services consists of the following divisions:

Director: Planning and Housing

Planning: Land use management

Planning: Spatial planning

Planning: Building control

Planning: Properties

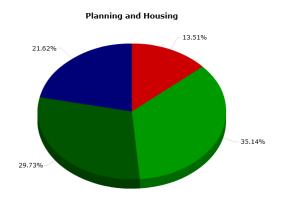
Housing: Administration

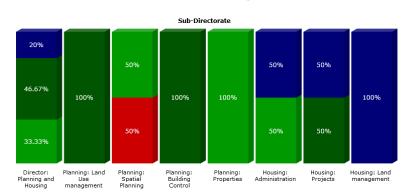
Housing: Projects

Housing: Land management



# The following graph indicates the performance of the various sub-directorates within Planning and Housing directorate in terms of the municipal SDBIP performance management system:





			Sub-Directorate						
	Planning and Housing	Director: Planning and Housing	Planning: Land Use management	Planning: Spatial Planning	Planning: Building Control	Planning: Properties	Housing: Administration	Housing: Projects	Housing: Land management
KPI Not Met	5 (13.5%)	-	-	5 (50%)	-	-	-	-	-
KPI Almost Met	-	-	-	-	-	-	-	-	-
KPI Met	13 (35.1%)	5 (33.3%)	-	5 (50%)	-	2 (100%)	1 (50%)	-	-
KPI Well Met	11 (29.7%)	7 (46.7%)	1 (100%)	-	2 (100%)	-	-	1 (50%)	-
KPI Extremely Well Met	8 (21.6%)	3 (20%)	-	-	-	-	1 (50%)	1 (50%)	3 (100%)
Total:	37	15	1	10	2	2	2	2	3

Graph 10: Planning and Housing sub-directorate performance

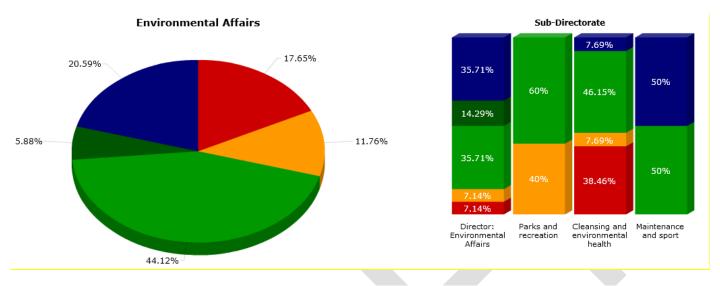
#### 3.6.8 Environmental Affairs

Environmental Affairs consists of the following divisions:

- Director: Environmental Affairs
- Parks and recreation
- Cleansing and environmental health
- Maintenance and sport



# The following graph indicates the performance of the various sub-directorates within Environmental Affairs directorate in terms of the municipal SDBIP performance management system:



		Sub-Directorate				
	Environmental Affairs	Director: Environmental Affairs	Parks and recreation	Cleansing and environmental health	Maintenance and sport	
KPI Not Met	6 (17.6%)	1 (7.1%)	-	5 (38.5%)	-	
KPI Almost Met	4 (11.8%)	1 (7.1%)	2 (40%)	1 (7.7%)	-	
KPI Met	15 (44.1%)	5 (35.7%)	3 (60%)	6 (46.2%)	1 (50%)	
KPI Well Met	2 (5.9%)	2 (14.3%)	-	-	-	
KPI Extremely Well Met	7 (20.6%)	5 (35.7%)	-	1 (7.7%)	1 (50%)	
Total:	34	14	5	13	2	

Graph 11: Environmental Affairs sub-directorate performance



#### COMPONENT A: BASIC SERVICES

This component includes basic service delivery highlights and challenges, includes details of services provided for water, waste water (sanitation), electricity, waste management, housing services and a summary of free basic services.

#### 3.7 National Key Performance Indicators — Basic Service Delivery and Local Economic Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the following two National Key Performance Areas: Basic Service Delivery and Local Economic Development.

Indicators	Municipal Achievement	Municipal Achievement				
	2011/12	2012/13				
Basic Service Delivery						
The number of households earning less than R 1 100 per month with access to free basic services	16 357	15 626				
The percentage of households with access to basic level of water	98.88	96.11				
The percentage of households with access to basic level of sanitation	99.00	95.16				
The percentage of households with access to basic level of electricity	87.7					
The percentage of households with access to basic level of solid waste removal	100	100				
Local economic development						
The number of <b>jobs created</b> through municipality's local economic development initiatives including capital projects	1 488 Work Opportunities (402 Full Time Equivalent Jobs)	l 141 Work Opportunities (447 Full Time Equivalent Jobs)				

Table 92: National KPIs - Basic Service Delivery and Local Economic Development

Note: The percentages in the table above shows percentages of erven within the urban edge areas.

# 3.8 Total Employees: Civil Engineering Administration

	2012/13					
TASK Job Level	Posts	Posts Employees Vacancies (fulltime equivalents)		Vacancies (as a % of total posts)		
		Number				
Senior Management	1	1	0	0		
19 – 21	1	1	0	0		
14 – 18	5	4	1	20		
9 – 13	20	4	16	80		
4 – 8	10	3	7	70		



	2012/13				
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		%			
1 – 3	7	1	6	86	
Total	44	14	30	68	

Table 93: Employees: Civil Engineering Administration

#### 3.9 Water Provision

The George Municipality's raw water sources are the Garden Route and Swart River dams, the Touw, Kaaimans and Malgas Rivers, the Ultra Filtration Plant situated at the Outeniqua WwTW, Boreholes as well as the Haarlem Dam and the Holdrif River. The water is treated according to SANS 241: 2011 at the Old and New George Water treatment Works (WTW), Wilderness WTW, Uniondale WTW and Haarlem WTW.

The water distribution systems consists of 865km of pipeline, varying from 50mm to 1000mm in diameter, 28 water pump stations, 40 reservoirs and 3 water towers. The Western Bulk Water Pipeline was completed and the new Thembalethu Bulk Water Pipeline to provide water to the Thembalethu UISP project was completed with additional funds received from the Department Human Settlements.

The Master Plans for the municipality's water supply systems are updated on a quarterly basis and all upgrades planned are in line with the current master planning. The Bulk Resources are sufficient to ensure growth and development can be accommodated and purification capacity is adequate.

#### 3.9.1 Highlights — Water Provision

Highlight	Description
Appointment of staff in some of the critical vacant posts	Permanent staff appointed in the posts of Superintendent Water Purification, Superintendent Water Distribution, Process Controllers (2), Driver/Operator (Digger/Loader) and Supervisor/Driver (2).
Completion of Western Bulk Water Supply Pipeline Phase 2	Completion of the bulk water supply pipeline at a total cost of approx R55 million (phases 1 and 2). This pipeline extends from the bulk reservoirs to the Pacaltsdorp Water Tower
Thembalethu Bulk Water Pipeline	The pipeline was constructed using additional grant funding received fron Dept. Human Settlements and provides water to the Thembalethu area and is specifically required to provide water to the Themablethu UISP project (approx 5000 units)

Table 94: Highlights: Water Provision



# 3.9.2 Challenges — Water Provision

Challenge	Actions to address
Appointment of properly qualified staff in critical vacant posts	Critical vacant posts need to budgeted for and filled as a matter of urgency, in order to preserve service levels and comly to legistalion.
Training of internal staff	Implement training program for staff not in possession of the required qualifications needed, to perform the functions attached to the posts they are in.
Vandalism and theft	Vastly improved security systems and measures needs to be put in place to protect valuable and critical infrastructure.
Water Use License Application (WULA) for Raising GR Dam Spillway and Malgas Pumping Scheme	The water use license application submitted in Dec 2008 and February 2009 have still not been issued by Dept. Water Affairs althoug the Malgas P/S has been completed and grant funding has been received for the Raising of the GR Dam Spillway (reflected as underspending and KPA not met as project cannot commence without the necessary license)

Table 95: Challenges: Water provision

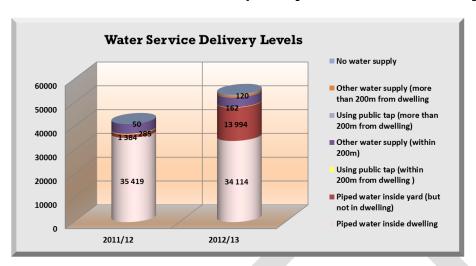
# 3.9.3 Water Service Delivery Levels

Below is a table that specifies the different water service delivery levels per households for the financial years 2011/12 and 2012/13:

Parameter trans	2011/12	2012/13
Description	Actual	Actual
	<u>Household</u>	
<u>Water: (</u> a	bove minimum level)	
Piped water inside dwelling	35 419	34 114
Piped water inside yard (but not in dwelling)	1 384	13 994
Using public tap (within 200m from dwelling )	285	162
Other water supply (within 200m)	4 184	4 099
Minimum Service Level and Above Sub-total	41 272	52 369
Minimum Service Level and Above Percentage	99.88	97.79
<u>Water:</u> (b	elow minimum level)	
Using public tap (more than 200m from dwelling)	50	120
Other water supply (more than 200m from dwelling	0	758
No water supply	0	306
Below Minimum Service Level Sub-total	50	1 184
Below Minimum Service Level Percentage	0.12	2.21
Total number of households (formal and informal)	41 322	53 553

Table 96: Water service delivery levels

The graph below shows the different water service delivery levels per total households and the progress per year:



Graph 12: Water Service Delivery Levels

#### 3.9.4 Total employees —Water Services

	2012/13					
TASK Job Level	Posts	Employees Vacancies (fulltime equivalents)		Vacancies (as a % of total posts)		
		Number				
Senior Management	1	1	0	0		
19 – 21	0	0	0	0		
14 – 18	4	4	0	0		
9 – 13	24	12	12	50		
4 – 8	121	64	57	47		
1 – 3	133	46	87	65		
Total	283	127	156	55		

Table 97: Employees: Water Services

# 3.9.5 Capital Expenditure — Water Services

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
	R'000			
George Western Water Pipeline	13 060	*9 407	*6 455	
Thembalethu Bulk Water Pipeline	0	21 760	19 643	
Thembalethu UISP Project	1 734	1 974	1 963	
Equipment	200	100	103	
Water Network Rehabilitation	3 000	1 575	1 470	



	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
Replace Water Meters in Borchards	220	583	625	
Water Tanks	250	70	69	
Mobile Radio's	22	14	14	
Total	18 486	35 483	30 343	

<sup>\*</sup>The actual expenditure indicated (R6,455 million) reflects an under expenditure of R 3 million. This is an incorrect reflection as the project was in fact overspent by R3 million in 2011/12 which was paid from other funds. The over expenditure was thus corrected in 2012/13

Table 98: Capital Expenditure 2012/13: Water Services

#### 3.10 Waste water (sanitation) provision

The Master Plans for the municipality's wastewater systems are updated on a quarterly basis and all upgrades planned are in line with the current master planning.

The sewer reticulation system consists of 835km of pipeline varying from 50mm to 1000mm in diameter and 106 sewer pump stations. The wastewater is treated at the Outeniqua, Gwaiing, Herolds Bay, Breakwater Bay, Kleinkrantz, Uniondale and Haarlem WwTW. The Uniondale WwTW is currently being upgraded to address future growth needs, accommodate the 184 low cost housing units and improve the quality of effluent discharged to comply with DWA standards. Bulk sewer upgrades and new infrastructure is currently under construction to accommodate the approx 5000 new UISP erven to be provided in Thembalethu

#### 3.10.1 Highlights — Waste water (sanitation) provision

Highlight	Description
Appointment of staff in some of the critical vacant posts	Permanent staff appointed in the posts of Inspector, Driver/Operator (Digger/Loader), Supervisor/Driver (2)

Table 99: Highlights: Waste water (sanitation) provision

#### 3.10.2 Challenges — Waste water (sanitation) provision

Challenge	Actions to address
Appointment of properly qualified staff in critical vacant posts	Critical vacant posts need to budgeted for and filled as a matter of urgency, in order to preserve service levels
Training of internal staff	Implement training program for staff not in possession of the required qualifications needed, to perform the functions attached to the posts they are in
Vandalism and theft	Vastly improved security systems and measures needs to be put in place to protect valuable and critical infrastructure
Delay in UISP	The contractor appointed for the provision of services to erven (Areas 4C and 4A) ceased all activity due to financial problems. This caused substantial project delays and impacted on budget spending. The municipality had to provide material assistance to ensure that the project could recommence



Table 100:

Challenges: Waste water (sanitation) provision

# 3.10.3 Waste Water (Sanitation) Service Delivery Levels

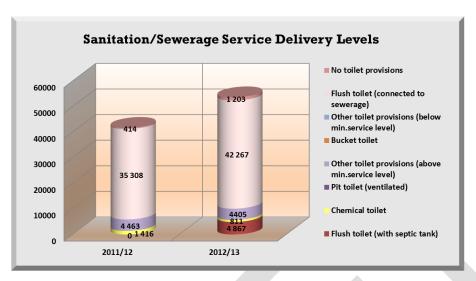
Below are a table that specifies the different sanitation service delivery levels per households for the financial years 2011/12 and 2012/13

Dogwintion	2011/12	2012/13			
Description	Actual	Actual			
H	<u>lousehold</u>				
<u>Sanitation/sewera</u>	ge: (above minimum level)				
Flush toilet (connected to sewerage)	35 308	42 267			
Flush toilet (with septic tank)	Included above	4 867			
Chemical toilet	1 416	811			
Pit toilet (ventilated)	Included above	Included above			
Other toilet provisions (above minimum service level)	4 463	4 405			
Minimum Service Level and Above Sub-total	41 187	52 350			
Minimum Service Level and Above Percentage	99.00	97.75			
<u>Water:</u> (belo	<u>Water:</u> (below minimum level)				
Bucket toilet	0	0			
Other toilet provisions (below minimum service level)	0	0			
No toilet provisions	414	1 203			
Below Minimum Service Level Sub-total	414	1 203			
Below Minimum Service Level Percentage	1.00	2.25			
Total number of households	41 601	53 553			

**Table 101:** 

Waste water (Sanitation) service delivery levels

The graph below shows the different sanitation service delivery levels per total households:



Graph 13: Sanitation Service Delivery Levels

#### 3.10.4 Total employees — Waste Water (Sanitation) Services

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	1	1	0	0
9 – 13	5	0	5	100
4-8	30	13	17	57
1-3	13	3	10	77
Total	49	17	32	65

Table 102: Employees Waste Water (Sanitation) services

# 3.10.5 Capital Expenditure — Sanitation Services

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
	R'000			
Sewerage Networks: Thembalethu	3 200	3 460	3 344	
Access Control - Thembalethu Pumpstation	250	243	243	
Thembalethu UISP Project	5 118	5 118	2 673	
Sewerage Network Rehabilitation	2 000	2 795	2 794	



	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
Upgrading of Pumpstations	1 500	1 867	1 867
Upgrading of Electrical Switchgear at Pumpstations	1 500	834	828
Sewer Gulleys - Ward 16	0	71	71
Thembalethu Bulk Sewer	0	7 778	5 104
Upgrading of Uniondale Waste Water Treatment Works	10 725	12 761	11 992
Sludge Handling - Gwaing Sewer Works	7 000	7 739	7 730
Laboratory Instruments	300	446	444
Total	31 593	43 112	37 090

Table 103: Capital Expenditure 2012/13: Waste Water (Sanitation) Services

#### 3.11 Electricity

The price and affordability of electricity has become one of the most debated subjects due to the abnormally high Eskom increases that are carried over to municipal consumers. On average, the price of electricity has risen with nearly 100% over the last four years and this has had an enormous impact on the economy of the city. The affordability of electricity at these high tariffs versus the use of other forms of energy and the use of renewable energy has had a major negative effect on our income derived from the sale of electricity.

On the provision of electricity at household level and the progress being made to redress service backlogs and achieve the National basic standard for Electricity provision by 2014, George has done well in the formal areas where all households are electrified. However, the 4 500 informal households in Thembalethu must still be electrified. These areas will be electrified in terms of the municipalities Informal Settlements Master plan that is managed by the Human Settlements and the availability of funds. Electrification of informal areas is on-going due to the high influx of new residents into the George's informal areas. The bulk supply to Rosedale housing development was upgraded to improve the quality and reliability of the supply.

A reduction of complaints logged by community since commencement of maintenance contract in Uniondale is indicative of the improvements that have been made in service delivery since George took over the administration there.

Eskom supplies electricity to many of the rural areas within the municipal boundaries. The main Eskom supply to George has been upgraded in terms of our Master Planning to provide sufficient electricity to the City and surrounds.



The table below indicates the Notified Maximim Demand:

Eskom Supply Points	Notified Maximum Demand (NMD)	Maximum Demand Growth (NMD)	Maximum Demand Peak (NMD)
George	85MVA	4.1%	80 453MVA
Wildeness	5MVA	0.96%	5 086MVA
Uniondale	1,5MVA	5.53%	1,583MVA

Table 104:

**Electricity Notified Maximum Demand** 

# $3.11.1 \quad Highlights - Electricity$

Highlight	Description
Electricity Losses	The Energy Losses (technical and non-technical) for the 2012/2013 financial year was 6.18%. The national norm is between 10 to 12%. The losses at George are very low and this outstanding performance can only be attributed to the excellent management of the municipal metering systems. Most of the large consumer's electricity meters have been replaced with AMR (automatic meter reading) meters. These meters communicate directly with the municipal offices through a GPRS system to provide accurate readings and prevents tampering and theft.

Table 105:

Highlights: Electricity

# 3.11.2 Challenges — Electricity

Challenge	Actions to address
Critical technical staff shortage required to cope with growing maintenance needs	Greater emphasis by Council to address critical shortages for core functions related to service delivery. When the electricity is off, all other departments and the entire community is affected
Not enough maintenance done on infrastructure	Appoint personnel in vacant posts to address the issue
Vandalism and electrical theft cripples the network and add to electrical losses	This is a national problem and harsh actions must be instated against offenders
Renewable energy projects	Negotiations with the private sector for the establishment of a number of renewable energy projects

**Table 106:** 

Challenges: Electricity



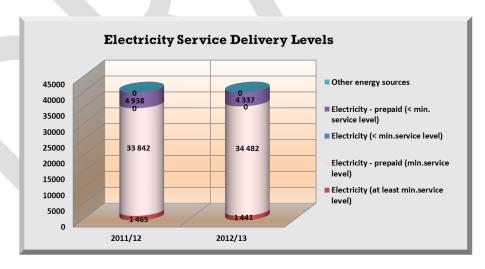
# 3.11.3 Electricity Service Delivery Levels

The table below indicates the different service delivery level standards for electricity within the Municipality and includes informal areas:

Description	2011/12	2012/13	
	Actual	Actual	
	<u>Household</u>		
Energy: (a	above minimum level)		
Electricity (at least minimum service level)	1 465	1 441	
Electricity - prepaid (minimum service level)	3 3842	34 482	
Minimum Service Level and Above Sub-total	35 307	35 923	
Minimum Service Level and Above Percentage	87.7	89.2	
<u>Energy: (</u> below minimum level)			
Electricity (< minimum service level)	0	0	
Electricity - prepaid (< min. service level)	4 938*	4 337*	
Other energy sources	0	0	
Below Minimum Service Level Sub-total	4 936*	4 337*	
Below Minimum Service Level Percentage	12.3*	10.8*	
Total number of households	40 245	40 260	

Table 107: Electricity Service Delivery Levels

The graph below indicates the different electricity service delivery levels per total households:



Graph 14: Electricity Service Delivery Levels

<sup>\*</sup>Informal areas only



# 3.11.4 Total employees — Electricity Services

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number			%
Senior Management	1	1	0	0
19 – 21	1	0	1	100
14 – 18	8	5	3	38
9 – 13	90	38	51	57
4 – 8	150	72	78	52
1 – 3	13	7	6	46
Total	263	123	139	53

 Table 108:
 Employees Electricity services

# 3.11.5 Capital Expenditure — Electricity Services

	2012/13				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure		
	R'000				
Eskom Extention Costs	6 000	6 221	6 221		
Herolds bay Substation Connection	4 500	4 700	4 644		
1 lkv Control Centrum	200	195	173		
Relpace Obsolete Switchgear	1 000	979	892		
Rosedale Electrification	7 368	6 422	2 629		
l lkv Network - Wildernis	500	484	332		
l lkv Network - Uniondale	500	481	460		
Informal Areas Electrification	1 500	1 495	4		
Circuit Breaker - Reticulation Schemes	0	180	29		
Vehicles for Interns	86	912	815		
Syferfontein Electrification - 80 Erven	500	325	303		
Electrical Equipment	280	273	271		
Winery Sub Relays	500	700	694		
Low Voltage Lines - Wildernis	500	400	399		
Total	23 434	23 768	17 865		

 Table 109:
 Capital Expenditure 2012/13: Electricity Services



#### 3.12 Waste management (Refuse collections, waste disposal, street cleaning and recycling)

George Municipality maintain the national standard of one refuse collection per household per week. Refuse collection services were also rolled out to all rural areas within the greater George. All waste is taken to a transfer station where it is compacted in huge containers and transported to Petro SA in Mossel Bay. A total of  $\pm$  31 000 tons were transported to Petro SA during the year.

The Municipality also has a blue bag system for recyclables such as paper, tin, glass and plastic. A number of private recycling companies are also operating in George, collecting recyclables. A total of  $\pm$  30 000 tons was recycled during 2012/13. Green waste and builder's rubble are received at a landfill site which was developed for that purpose. This landfill site has reached full capacity and provision was made for the erection of a compost facility in 2013.

One of the biggest problems that the municipality experience is illegal dumping in the different neighbourhoods. The municipality has appointed a number of community based contractors each with seven workers to clean the streets by collecting all rubbish in black bags which is then transported to the transfer station. 12 Bakkie-Contractors, each with 4 workers, were also appointed to clean-up illegal dumping in all neighbourhoods. Refuse collection stations, specifically for garden waste, were erected in different problem areas where illegal dumping is experienced.

A Greenest/Cleanest town project coordinator was appointed two years ago to educate the children and the public not to participate in unlawful dumping but rather to utilise the services of the municipality.

#### 3.12.1 Highlights - Refuse Removal (Solid Waste)

Highlight	Description	
Rural areas serviced on a weekly basis	Strategic places identified	
Compost site	Site for compost has been licensed and rezoned	

Table 110: Highlights: Refuse removal

#### 3.12.2 Challenges — Refuse Removal (Solid Waste)

Challenge	Actions to address	
Shortage of landfill space for green waste and builders rubble	Investigating composting of green waste and recycling of builders rubble	
Increased landfill costs at regional landfill site	Withdrawal of composting facility and recycling facility at regional landfill site	
Expansion of Uniondale landfill site	Investigate alternative options	
Rehabilitation costs of three landfill sites	Investigate alternative funding options	
Unlawful dumping of waste in residential areas	Improved law enforcement	

Table 111: Challenges: Refuse removal



# 3.12.3 Refuse Removal (Solid Waste) Service Delivery Levels

The table below indicates the different refuse removal service delivery level standards within the urban edge area of the Municipality:

Dogwinkian	2011/12	2012/13		
Description	Outcome	Actual		
	<u>Household</u>			
Refuse Re	emoval: (Minimum level)			
Removed at least once a week	43 000	43 000		
Minimum Service Level and Above Sub-total	43 000	43 000		
Minimum Service Level and Above Percentage	100	100		
<u>Refuse Removal: (</u> Below minimum level)				
Removed less frequently than once a week	0	0		
Using communal refuse dump	0	0		
Using own refuse dump	0	0		
Other rubbish disposal	0	0		
No rubbish disposal	0	0		
Below Minimum Service Level Sub-total	0	0		
Below Minimum Service Level percentage	0	0		
Total number of households	43 000	43 000		

Table 112:

Refuse removal service delivery levels

# 3.12.4 Total employees - Solid Waste Services

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	2	2	0	0
9 – 13	4	3	1	25
4-8	26	24	2	8
1 – 3	89	77	12	13
Total	121	106	15	12

Table 113:

**Employees Refuse Removal services** 



#### 3.12.5 Capital Expenditure — Waste Management Services

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
	R'000			
Refuse Containers - Ward projects	0	205	173	
Bulk Refuse Containers	200	200	173	
Total	200	405	346	

Table 114: Capital Expenditure 2012/13: Waste Management Services

### 3.13 Housing

Since the 1990s there has been a significant influx of people to the Southern Cape and specifically to George. The present waiting list numbers 22 155 whilst in the 24 informal areas we have more than 4300 families living there. The shortage of housing is therefor increasing annually.

In the year under review the first phase of the Thembalethu UISP projects have delivered more than 800 serviced erven and one of the most important decisions to be taken was the appointment of a Professional Resource Team (PRT). This team will get all the identified housing projects in George 's approved housing pipeline ready to enable Council to call for tenders the moment funding is made available.

#### 3.13.1 Highlights - Housing

Highlight	Description
Implementation of the Western Cape Housing Demand Database System (WCHDDB)	The Western Cape Department of Human Settlements (WCDHS) introduced the Western Cape Housing Demand Database System (WCHDDB) to municipalities throughout the Western Cape. The focus is to provide municipalities with a web-based platform to capture and record applicant information. Excellent progress has been made by George Municipality in the verification and cleansing of data on the system.
Transfers: Erf 325 Housing Project (Rosedale, Pacaltsdorp): 904 houses	896 Houses transferred 30/06/13
Transfers: Touwsranten Housing Project: 396 houses	387 Houses transferred 30/06/13
UISP Project Thembalethu	First 839 erven completed
Thambo Square & Lusaka	Housing project completed
Housing Imbizo's	Meetings held successfully in all the wards of the municipality

Table 115: Highlights: Housing

# 3.13.2 Challenges — Housing

Challenge	Actions to address	
Future accreditation of George Municipality as Housing Authority	Professional Resource Team appointed to steer the process	
Funding of Bulk services	Submit MIG applications	
DoRA funding insufficient	Increase future spending	

Table 116: Challenges: Housing

# 3.13.3 Housing Waiting List

The following table shows an increase of 16.74% in the number of people on the housing waiting list form 2011/12 to 2012/13:

Year	No of people on the list	% increase
2011/12	18 977	17.9
2012/13	22 155	14.7

Table 117: Housing waiting list

# 3.13.4 Total employees — Housing

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	3	3	0	0
9 – 13	36	15	21	58
4-8	20	10	10	50
1-3	0	0	0	0
Total	59	28	31	53

Table 118: Employees - Housing



#### 3.13.5 Capital Expenditure — Housing

	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
	R'000		
Furniture	30	83	83
Electrification – Levallia	0	158	107
Temporary Relocation - Touwsranten	0	391	383
Providing services - Thembalethu creche	0	226	225
Ward Projects	0	135	98
Total	300	993	897

Table 119: Capital Expenditure 2012/13: Housing

A total amount of **R52,831** million was allocated by the Provincial Department of Human Settlements in terms of the Division of Revenue Act (DoRA) to build houses and to purchase land during the 2012/13 financial year under review, includes:

Financial many	Allocation	Amount spent	9/ amont	Number of	Number of sites
Financial year	R'000	R'000	% spent	houses built	serviced
2011/12	72 364	65 875	91	961	0
2012/13	52 831	51 775	98	156	839

Table 120: Housing

#### 3.14 Free Basic Services And Indigent Support

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality, all households earning less than R3000 per month will receive the free basic services as prescribed by National policy, in terms of George Municipality's indigent policy.

#### 3.14.1 Access to Free Basic Services

Free Basic Services To Low Income Households									
Number of households									
Year		Households earning less than R 3 500 per month							
lear	Total	Free Basic	Water	Free Basic Sa	Free Basic Sanitation		lectricity	Free Basic Refuse Removal	
		Access	%	Access	%	Access	%	Access	%
2011/12	16 357	16 357	100	16 357	100	16 357	100	16 357	100
2012/13	15 626	15 626	100	15 626	100	15 626	100	15 626	100

Table 121: Access to Free Basic Services



An application for indigent subsidy must be completed by all consumers who qualify in terms of George's Indigent Policy. The approval of the application for subsidy is subject to certain criteria as per the policy.

#### Services subsidised are:

- ♦ Water-Basic charge + 6kl
- Electricity- basic charge + 70 kWh
- Sanitation-basic 100 %
- Refuse- 100 %
- ♦ 100% Rebate on Rates / or Properties valued less than R100 000

Subsidy up to a maximum of R400 per month for basic services.

#### Free basic services and indigent support:

Grants received for the 2012/13 book year and specifically reserved for indigent households was **R80,370 million** of which expenditure amounted to **R75,000 million**.

Indigent subsidy was also extended to service water leakages, sewerage blockages, and PPM installations, and transfer costs to indigent households.

The access to free basic services is summarised into the different services as specified in the following table:

	Electricity									
	Inc	Indigent Households		Non-i	Non-indigent households			Households in Eskom areas		
Financial year	No of HH	Unit per HH	Value pm	No of	Unit per HH	Value pm	No of HH	Unit per HH	Value pm	
		(kwh)	R'000 HH (kwh)	(kwh)	R'000	nn	(kwh)	R'000		
2011/12	16 357	70	849	19 713	20	42	0	0	0	
2012/13	15 626	50	725	0	0	0	350	50	16	

Table 122: Free basic Electricity services to indigent households

Water							
	Indigent Households			Non-indigent households			
Financial year	No of HH	Unit per HH (kl)	Value pm	No of HH	Unit per HH	Value pm	
	Noorhh		R'000	Noorm	(kl)	R'000	
2011/12	16 357	6	144	19 713	6	174	
2012/13	15 626	8	1 018	20 114	6	1 310	

Table 123: Free basic Water services to indigent households



Sanitation							
	Indigent Households			Non-indigent households			
Financial year	No of HH	R value per HH pm	Value pm	No of HH	Unit per HH	Value pm	
	NO OI AA		R'000	NO OI HH	per month	R'000	
2011/12	16 357	137.37	2 247	0	0	0	
2012/13	15 526	148.36	2 318	0	0		

Table 124:

Free basic Sanitation services to indigent households

Refuse Removal							
	Indigent Households			Non-indigent households			
Financial year		Service per	Value pm		Unit per HH	Value pm	
	No of HH HH per week		R'000	No of HH	per month	R'000	
2011/12	16 357	1	1 778	0	0	0	
2012/13	15 626	1	1 834	0	0		

Table 125:

Free basic Refuse Removal services to indigent households per type of service

#### COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and storm water (storm water drainage).

George Municipality is responsible for the planning of and maintenance of proclaimed main roads, municipal streets and establishing transportation infrastructure for the transport of goods and commuters. The NLTA places the responsibility for the provision of public transport with the local municipalities.

#### 3.15 Roads

Maintenance and rehabilitation priorities are determined by means of a pavement management system, based on the condition of the road, and the implementation of these priorities are subject to Council approval of adequate funding. The main challenges to overcome, which will significantly improve service delivery, are the difficulty in procurement of services and adequate funding.

The following tables give an overview of the total kilometres of roads maintained and new roads tarred:

#### 3.15.1 Highlights — Road Transport

Highlight	Description
Resealing of roads	R 5 000 000 spent on the reseal of streets
GIPTN	Securing of grant funding from National Department of Transport and National Treasury

Table 126:

Highlights: Road Transport



# 3.15.2 Challenges — Road Transport

Challenge	Actions to address	
Ageing infrastructure (roads)	Secure sustainable funding to reseal/rebuild	
Ageing infrastructure (storm water)	Secure sustainable funding for replacement of pipelines	
Delay in Thembalethu UISP	The contractor appointed for the provision of services to erven (Areas 4C and 4A) ceased all activity due to financial problems. This caused substantial project delays and impacted on budget spending. The municipality had to provide material assistance to ensure that the project could recommence	

Table 127: Challenges: Road Transport

#### 3.15.3 Tarred (Asphalted) Roads

Financial year	Total km tarred roads	Km of new tar & paved roads	Km existing tar roads re-tarred	Km tar roads maintained
2011/12	404	0	0	399
2012/13	404	0.5	9.1	404

Table 128: Tarred (Asphalted) roads

#### 3.15.4 Gravelled Roads

Financial year	Total km gravel roads	Km new gravel roads constructed	Km gravel roads upgraded to tar / block paving	Km gravel roads graded/maintained
2011/12	114.6	0	0	114.6
2012/13	114.6	0	0	114.6

Table 129: Gravelled roads

# 3.15.5 Total employees — Roads and Stormwater

	2012/13					
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)		
		%				
Senior Management	0	0	0	0		
19 – 21	0	0	0	0		
14 – 18	1	1	0	0		
9 – 13	4	2	2	50		
4 – 8	49	20	19	39		
1 – 3	106	78	28	26		
Total	160	101	49	31		

Table 130: Total Employees: Roads and Stormwater



# 3.15.6 Capital Expenditure — Road Services

Financial year	New	Upgraded	Maintained
		R'000	
2011/12	1 000	2 000	394.5km
2012/13	877	1 000	394.5km

Table 131: Capital Expenditur: Roads and Stormwater

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
	R'000			
Upgrading of Roads	2 000	2 000	2 024	
Speedbumps - (ward projects)	0	923	617	
Streetlights - Geelhoutboom School (ward project)	0	35	25	
Upgrading of roads on Bus Routes	1 053	1 543	1 500	
Thembalethu UISP Project	13 148	13 148	6 718	
Bus Stops	4	1 410	1 406	
Street Resealing Programme	5 000	5 000	4 985	
Inter-Urban Bus Terminus	4 900	5 350	5 488	
Streetlights – Touwsranten	0	130	126	
High Mast Flood Lighting – Thembalethu	1 260	320	271	
Total	31 111	29 860	23 159	

Table 132: Capital Expenditure 2012/13: Road Services

#### 3.15.7 Cost of Construction/Maintenance

The table below shows the costs involved for the maintenance and construction of roads within the municipal area:

	Gravel		Tar			
Financial year	New	Gravel – Tar / Block paving	Maintained	New (Tar & Block paving)	Re-worked	Maintained
	R'000					
2011/12	0	2 000	5 510	0	0	6 590
2012/13	0	0	4 058	200	0	6 620

Table 133: Cost of construction/maintenance of roads

The road infrastructure network is one of the largest assets of GM. The condition and maintenance thereof as well as the construction of new road and transport infrastructure, impacts directly on the safety of all road users' modes of transport and indirectly on local economic development.



#### 3.16 Public Transport

The George Integrated Public Transport Network aims to transform the current mini-bus taxi industry to a company that will be contracted by the George Municipality to provide a public transport service to the community of George. The government team (George Municipality and Western Cape Department Transport and Public Works) entered into negotiations with representatives of the local minibus taxi industry in November 2011. Negotiations have progressed steadily, and the George Municipality has been granted R 208,124 million in Public Transport Infrastructure and R 184,149 million in Public Transport Network Operating grant funding by the National Department of Transport and National Treasury over the 2013/14 Medium Term Expenditure Framework. This is in addition to the financial support received from the provincial Department of Transport and Public Works. Work has commenced on a number of infrastructure upgrades, and the Cradock Street upgrade was completed at the end of 2012/13 financial year. The project is on track to see the realisation of the first public transport services in George being rolled out in 2014.

#### 3.17 Storm water drainage

The department undertook a study of the condition of the storm water system. The operation of the storm water is conducted with the use of a management system which enable the planning and maintenance section to locate shortcomings. This enables this section to do efficient maintenance on the storm water network.

#### 3.17.1 Storm water Infrastructure

The table below shows the total kilometres of storm water maintained and upgraded as well as the kilometres of new storm water pipes installed:

Financial year	Total km Storm water measures	Km new storm water measures	Km storm water measures upgraded	Km storm water measures maintained
2011/12	382.0km	2.5km	0.5km	382.0km
2012/13	395.4km	0	6km	395.4km

Table 134:

Storm water infrastructure

#### 3.17.2 Capital Expenditure — Storm water Services

	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
	R'000		
Concrete channels and drains	877	877	921

Table 135:

Capital Expenditure 2012/13: Storm Water Services

#### 3.17.3 Cost of Construction/Maintenance

The table below indicates the amount of money spend on storm water projects:



	Storm water Measures		
Financial year	New	Upgraded	Maintained
		R'000	
2011/12	1 000	2 000	394.5km
2012/13	877	1 000	394.5km

Table 136:

Cost of construction/maintenance of storm water systems

#### COMPONENT C: PLANNING AND DEVELOPMENT

#### The Department is responsible for the following functions:

Development Management, Spatial Planning and Environmental Management, Building Control, and Property Management.

#### 3.18 Planning

The main challenges experienced by the Department are as follow:-

- Acute shortage of planning staff with resulting inability to comply with statutory requirements and proactive development planning and facilitation
- Questionable credibility and/ or understanding of the planning function with broader community and resulting spiralling illegal land uses and unwise developments which undermines effective planning and sustainable development.
- Weak economic base and unsustainable development with spiralling infrastructure requirements and costly services which results in an unaffordable city with diminishing ability to render services.
- Historic planning context with segregated communities and an unequal space economy and access to opportunities which compromises the social wellbeing with high levels of relative poverty.
- Lack of shared institutional focus and priorities in accordance with challenges

#### 3.18.1 Planning Strategies

The table below sets out the main Planning Strategies

Number	Strategies
1.	Create quality and safe living environments in support of social wellbeing
2.	Ensure sustainable development to maintain the environmental integrity
3.	Undertake development planning to support and facilitate economic growth
4.	Develop an efficient and financial viable planning service
5.	Improve and maintain levels of service delivery and customer satisfaction
6.	Build an effective and efficient Department with motivated and competent staff.

Table 137:

**Planning Strategies** 



# 3.18.2 Statistics on Applications Received for Land Use Development

Applications for Land Use Development	2011/12	2012/13
Applications received	359	434
Applications finalized	285	408
Applications completed: (decision communicated)	265	396
Applications still in process: (active applications)	222	201
Applications processed after 6 months or more	27	20
KPI calculation	90.5%	95.1%
Breakdown of Land Use Applications	2011/12	2012/13
Rezoning	26	28
Subdivision	19	22
Departure	187	299
Consent use	15	18
Removal of Restrictions	5	11
Structure Plan Amendments	3	2
Amendment of Conditions	3	5
Other	27	23
Total	285	408
OSCA Permits Issued	19	19

 Table 138:
 Applications for Land use development and breakdown of Land use applications

# 3.18.3 Statistics on Building Plan Approvals

Donamintion	2011/12		2012/13	
Description	Total	Building Costs (R)	Total	Building Costs (R)
New Houses	77	66 033 500	175	89 673 500
Additions to Houses	449	102 628 620	510	139 597 417
New Town houses	106	128 700 000	126	139 205 000
Additions Town houses	44	5 708 000	66	9 885 000
New Flats	2	4 012 000	6	8 580 000
Additions Flats	1	56 000	0	0
New Businesses	5	57 972 500	8	73 903 500
Additions to Businesses	28	28 755 500	24	22 516 000
New Industries	9	31 673 000	3	6 510 600
Additions to Industries	26	23 484 000	21	32 163 000
New Churches	1	864 500	1	910 000
Additions to Churches	1	42 000	3	1 633 900
Additions to Restaurants	2	340 500	0	0



		1/12	201	2/13
Description	Total	Building Costs (R)	Total	Building Costs (R)
New Schools	0	0	1	2 106 500
Addition to Schools	3	6 814 750	4	6 966 000
New Crèche	2	1 373 000	0	0
Additions to Crèches	2	484 000	0	0
Additions to Colleges	1	582 250	4	4 125 000
New Information Centre	1	720 000	1	864 000
New Clinic	0	0	1	3 594 000
Addition to Abattoir	0	0	1	1 752 000
Additions to Hotels	1	805 500	0	0
Additions to Retirement villages	1	948 000	0	0
Addition to Fire Station	1	58 500	1	216 000
Alterations	43	1 317 967	146	4 019 789
Total	806	464 003 587	1102	548 221 206

Table 139: Breakdown of building plan approvals

# 3.18.4 Statistics on Property Management Income

Description	2011/12	2012/13
Description	R'000	
Leasing of Council Owned Properties	809	688
Sales of Council Properties	6 474	2 190
Total	7 283	2 828

Table 140: Property management



#### 3.18.5 Total employees — Planning

	2012/13				
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		Number		%	
Senior Management	0	0	0	0	
19 – 21	1	1	0	0	
14 – 18	12	6	6	50	
9 – 13	26	13	13	50	
4 – 8	6	2	4	67	
1 – 3	0	0	0	0	
Total	45	22	23	51	

Table 141: Employees: Planning

# 3.19 Local Economic Development (LED)

George Municipality firmly takes a stance that it is not government, and in their specific case, local government's role to directly create jobs. The role of Local Government in Economic Development is to create an enabling environment for economic activity and growth. The execution of LED is a process, which takes numerous years to show tangible results in economic growth. George Municipality embarked on this process in early 2012 with the development and adoption of its Economic Development Strategy.

Reporting on "job creation" through LED Initiatives is limited to reporting on EPWP short term work opportunities created. The EPWP reporting and co-ordination is administered through the LED office.

2012/2013 was mainly a year aimed at the execution of quick win activities identified during the Strategy process, and laying the foundation for higher level long term initiatives to be executed in pursuit of the economic vision for the area.

Of 15 Quick Win projects produced during the 2012 Strategy Process, 9 were concluded and yielded positive results, 2 delivered partial results and 4 were not executed (due to various contributing factors e.g. private sector champions did not perform as expected, or projects were based on certain assumptions which when pursued were not correct). It is important to remember that when these projects were chosen, the criteria included that there is no additional funding for these available from the municipality. An example of one executed project is the hosting of a trade delegation from Port Elizabeth, which was done through private sector sponsorship and building a relationship between the George and Port Elizabeth Business Chambers. A delegation of 15 individuals visited George during late 2012, and generated some new business linkages and good media coverage for George.

Progress has also been made in some of the strategic focus areas towards a long term competitive position, listed below.



# 3.19.1 Highlights — LED

The table below gives a brief description of all the achievements within local economic development during the 2012/13 financial year:

Achievement/Highlight	Description
Establishment of the Garden Route ICT Incubator	The GRICT Incubator is a privately established Not for Profit Company, set up to support growth and development in the ICT industry across the Southern Cape. The idea originated from the PACA Strategy process and private sector champions executed with support from George Municipality. The entity secured Provincial government funding, and is in process of establishing a device lab, hosted various events, and runs a weekly electronics club for children, amongst other activities. The aim is to support start up tech businesses through a subsidization of cost, and to support the development of innovative products. Further funding is required to sustain the initiative, and private sector donor funding will be pursued in 2013/2014.
Provincial Support for Call Centre Industry in George	During the Economic Strategy Process in 2012, Call Centers were identified as the top potential growth area for George, but only upon confirmation that the area has a competitive position as part of the South African market offering. This confirmation was received during work sessions held with BPeSA (the industry body) and their Western Cape office started marketing initiatives and included George in the Western Cape offering when meeting potential international investors.
Sustainable improvements in LED Maturity Assessment results	The second annual LED Maturity Assessment was conducted in November 2012, and George Municipality showed steady progress, moving into the top 5 municipalities in the Western Cape. The improvements were deliberately slow and in specific areas, based on designed interventions via the CENLED Mentorship programme. Entrenching improvements in the LED delivery system through a slower more deliberate process will result in a more sustainable system with long term longevity.
Capacity Building of Councilors in the field of Local Economic Development	As part of the process to improve the LED Delivery system (see above), the need for strong Leadership and Governance in LED has been identified. During 2012/2013 two training sessions, reaching the majority of Councilors, were executed. These were 5-day training sessions, based on material from the University of Johannesburg.
Initial phases of cross-border collaboration between neighboring municipalities as part of the Western Cape Economic Development Partnership (WCEDP) establishment	During 2012/2013 George Municipality played a leading role in developing closer cross-border collaboration with its neighboring municipalities on issues of Economic Development at a wider scale than just each local economy. The initiative was taken with support from the newly established WCEDP, and a first report on the evolution of partnerships in the Southern Cape was produced.

Table 142:

Highlights - LED

#### 3.19.2 Challenges — LED

The table below gives a brief description of all the challenges within local economic development during the 2012/13 financial year:

Description	Actions to address
LED takes a minimum of 5 years from strategy, through implementation to deliver large scale tangible results, although some results have been delivered, patience to stay the path and continue efforts towards greater success will be required	Care is taken to design annual plans of action that is balanced in terms of delivering short term results and tangible successes, whilst working actively towards longer term strategic priorities.



Description	Actions to address		
Public perception around the economy remains negative, although statistics and anecdotal evidence show a significant upturn and economic growth.	Increased marketing and information sharing of positive news is required in order to build the image of the area as business destination.		
The LED Unit remains constrained in its execution of tangible projects and results by a very small staff contingent	LED acts as work placement station for EPWP and other internship projects, thus at least increasing the number of available persons in the unit for lower level activities and actions.		

 Table 143:
 Challenges within local economic development

At the centre of LED implementation in George is the model that has been developed to depict the required actions to ultimately achieve an improved quality of life for all citizens. It starts with good Leadership and Governance, and follow sequential economic interventions and actions in order to eventually achieve sustainable improvements in living standards for all residents:

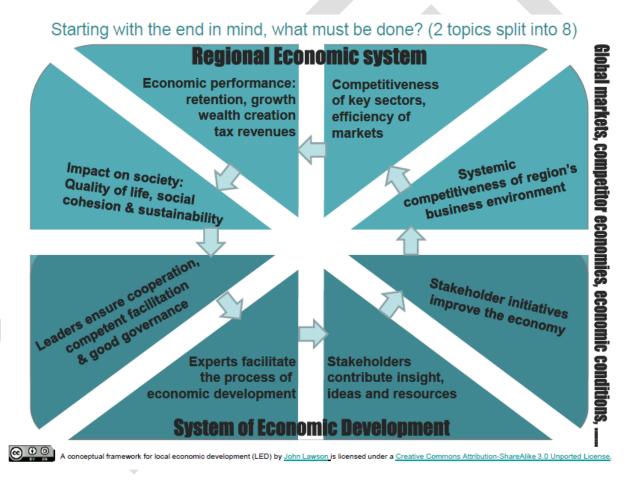


Figure 5: LED model

The Economic Strategy Process (including PACA and BR&E) in early 2012 (2011/2012 financial year) represents some of the first steps in this model towards a sustainable LED delivery system. These processes are in line with

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ensuring expert facilitation of processes and getting stakholders to contribute their ideas and resources. 2012/2013 then saw the first tangible initiatives being taken to improve the local economy.

The LED strategy identifies various issues and strategic areas for intervention such as (3 top service delivery priorities):

#### 3.19.3 Strategic Areas — LED Strategy

Strategic areas	Description
Seven key focus areas: 1. Call Centres & ICT related support 2. Berries 3. Vegetables 4. Dairy	Key focus areas were arrived at through a) detailed desktop Economic Development Profile and b) PACA process including one-on-one interviews and series of workshops with key industry role players.  Focus areas are narrow (at a sub-sector) level, so as to
5. Timber 6. Education 7. Hops Usage These are unpacked in more detail in the Economic Development Strategy, also categorised as short, medium and long term focus areas.	ensure more detailed intervention design. These focus areas were arrived at based on existing economic activity coupled with the potential to build a lasting competitive position in the face of fiercely competitive local and international market forces.

Table 144: LED Strategic Areas

In addition to the above sector specific key focus areas, a number of other initiatives of a more cross cutting nature also received attention. These include for example:

- Support and input into the George Integrated Public Transport Network (GIPTN) as key future economic
  infrastructure
- Hosting of Entrepreneurs Week as pilot project in conjunction with Western Cape Government in February 2012.
- Hosting the annual Arts & Craft showcase as mechanism for providing market access to local creative industries

It is acknowledged that purely a long term economic focus is not sufficient to meet current societal demands for improved economic opportunities. An increased focus on creating opportunities for individuals to access the economy is also currently being entrenched. This involves the design and execution of innovative pilot projects, mainly through the ward based project system, as means of spreading income amongst communities. An example of one suce project is De-forestation in Rosedale as means of fighting crime.

#### 3.19.4 LED initiatives

Attention is directed again at the opening paragraph under point 3.20 – LED interventions, actions and projects should be aimed at stimulating the economic playing field, and not to directly create jobs. As the first year of implementation following the Economic Strategy developed in early 2012, preparatory work was done in support of key industries. This involved identification of stakeholders and building of partnerships and relationships, and



using these relationships to design high impact projects and interventions. Expenditure in key strategic areas and projects will accelerate in 2013/2014.

With a limited budget for LED Projects and only two officials in the Unit, implementation of the following projects took place, as set out in the table below (Excluding EPWP projects):

Description of project	Amount spent to date	Performance Highlights	
Annual Art & Craft Showcase	R 51 539	Annual event hosted from 8 – 11 November 2012 provides market access in Garden Route Mall to 30 small craft produces who would not be able to access this market place without support.	
LED Maturity Assessment (November 2012)	No Cost	Assessment executed by Western Cape Government as means to measure LED performance by local municipalities. This was the second year of assessment and progress could be measured.	
Training for Councillors in LED Leadership and Governance	No cost in November 2012 R 80 000 April 2013	Two training sessions hosted (November 2012 and April 2013). The first session was at no cost to the municipality, covered under CENLED Mentorship programme (DTI funded).	
Economic Development Profile Review	R 25 100	Cost for purchase of data only. Due to capacity building in 2011/2012 the revision was handled in house by municipal staff.	
Informal Economy Consumer Survey	R 46 300	First primary data collection exercise in the Informal Economy by George Municipality. Basic data that will inform an enabling informal economy policy – as recommended by SALGA position paper on informal economy.	
ICT Incubator Establishment	No Cost	As municipalities are prohibited from the establishment of not for profit Companies, this is entirely a private initiative, with the LED office providing planning support and advice and assistance in mobilising funding. This is now a representative industry body, aimed at supporting and growing the ICT industry in the Garden Route. The first sets of projects, funded by Western Cape Government, have been executed e.g. establishment of a mobile device lab in George.	
Technology Related Events	R 20 000	First Amp George Session hosted by Garden Route ICT Incubator – aimed to find innovative and technological solutions to challenges in the implementation of EPWP at ground level. A unique approach to crowd source prototyping capacity.	
Marketing of George as Investment Destination	R 64 950	Sponsor pages and front cover logo space in Business Western Cape 2013.	
Roll out of Economic Revitalisation Policy (Investment Incentives)	No direct cost	Policy review undertaken during 2012/2013, revised Policy adopted by Council in March 2013. Four applications considered under revised policy in remainder of financial year, two of which have been approved. 2012 saw the completion and opening of R70 Million Thembalethu Square,	



Description of project	Amount spent to date	Performance Highlights	
		the first project for which an incentive agreement was concluded.	

Table 145:

LED initiatives

#### 3.19.5 Expanded Public Works programme (EPWP) implementation

The LED Unit is responsible for EPWP Administration and reporting whilst each Directorate has nominated EPWP Champions and Project Managers who are responsible for direct implementation and oversight. Reporting can be done in terms of person days created, work opportunities or full time equivalents (FTE's); the table below reflects all the work opportunities created for the municipal book year 2012/2013. It is important to note that due to the mismatch in financial years between National and Local government, reporting on EPWP numbers are rather cumbersome. These figures below will thus not correspond to National Department of Public Works figures for their 2012/2013 financial year.

Figures are further presented in the three applicable sectors of EPWP, namely Infrastructure, Environmental and Social.

A highlight of EPWP implementation was the adoption of a comprehensive EPWP Policy by Council in early 2013, further entrenching the methodology in all municipal activities. George Municipality remains one of the top implementers in the Western Cape, and 2012/2013 performace placed it 7th nationally in terms of jobs created by B-Municipalities. The year also saw the launch of an innovative Traffic Warden Pilot Project in collaboration with the EPWP Social Sector. The pilot project is funded for one year, starting 1 January 2013, and will see skills development at such a level that the 40 participants are fully qualified and highly employable at the end of the year long programme.

2012/2013 was the fourth year of implementation of EPWP Phase II, George Municipality has over the year accelerated EPWP reporting and performance through more dedicated staff capacity and an adopted Policy by Council. This was also the first year of implementation of a changed grant structure for municipalities, moving from the previous Incentive Grant approach, to a pre-paid Conditional Grant system. For 2012/2013 this change resulted in a smaller financial allocation for George Municipality, as available funds were distributed between all municipalities, including those who did not previously implement EPWP.



The allocation for 2013/2014 will increase again due to the continued good reporting performance by the municipality.

Year	Work Opportunities		Full Time Equivalent		Coditional/ Incentive Grant Allocation
	Target	Actual	Target	Actual	R'000
2009/10	342	149	11	13	0
2010/11	393	609	142	63	2 141
2011/12	505	1 488	185	402	2 264
2012/13	657	1 141	239	447	1 736
2013/14	827	0	297	0	3 285
Total	2 724	3 126	980	807	9 426

Table 146:

Job creation through EPWP projects

# $3.19.6 \quad \textbf{Total employees} - \textbf{LED}$

	2012/13				
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		%			
Senior Management	0	0	0	0	
19 – 21	0	0	0	0	
14 – 18	1	1	0	0	
9 – 13	1	1	0	0	
4 – 8	2	1	1	50	
1-3	0	0	0	0	
Total	4	3	1	25	

Table 147:

**Employees: Local Economic Development** 



# COMPONENT D: COMMUNITY AND SOCIAL SERVICES

## 3.20 Libraries

## 3.20.1 Service Statistics - Libraries

Type of service	2011/12	2012/13
Number of Libraries	9 + 2 Depots	9+2 Depots
Library members	42 064	47 556
Books circulated	589 893	505 489
Exhibitions held	151	166
Internet access points	32	32
Children programmes	110	73
Visits by school groups	44	28
Book group meetings for adults	20	22
Primary and Secondary Book Education sessions	68	28

**Table 148:** 

Service Statistics – Libraries

## 3.20.2 Total Employees — Libraries

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	2	0	2	100
9 – 13	6	3	3	50
4 – 8	52	38	14	27
1 – 3	0	0	0	0
Total	60	41	19	32

Table 149:

Employees: Libraries



# ${\bf 3.20.3}\quad {\bf Capital\ Expenditure-Libraries}$

	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
	R'000		
Office furniture	24	87	32
Paving at libraries	119	119	118
Replacement of Conville library roof	150	98	98
Book check unit - Blanco library	200	100	97
Total	493	405	345

Table 150: Capital Expenditure 2012/13: Libraries

# 3.21 Social Development

## $3.21.1 \quad Highlights - Social \ Development$

Highlight	Description
More involved with programs in Primary Schools	Life skills groups at two primary schools, awareness sessions presented at various primary schools
365 Days of Prayer to end all Violence against Women and Children	Monthly interdenominational prayer meetings between church and government leaders
Create job opportunities for 20 peer educators	Peer educators help the community with social challenges on a daily basis, they receive a stipend from the municipality. Some of the peers been appointed in permanent positions due to their willingness to volunteers and gain experience
Recruit 8 peer educators for SWAET	The SWAET peer educators are co-coordinated by the HIV subsection. This educators address the challenges of LGBT community
Some of the peers have a behavioral change	Provision of life skills trainings.
Provide 30 persons with food vouchers awaiting their grants, which prevent treatment defaulters.	The program address the nutritional needs of the HIV infected.
Life skills programme at primary schools	2 such programs were implemented at primary schools
Medical Male Circumcision (MMC)	After a series of clinical trials found that circumcised men were considerably less likely to contract HIV from their female partners. George Municipality in conjunction with the Department of Health and the institutions of higher learning, embarked on such a programme to create awareness about the benefits of medical male circumcision (MMC). 530 men were circumcised and 39 outreaches conducted.
SA Sport for Change Project	This project is in conjunction with the Sports Development Section, Department Sport and Recreation South Africa, SUM Consultants, the German Federal Government and local NGO's. The aim is to provide positive recreation to local



Highlight	Description
	youth, through the establishment of two facilities in Pacaltsdorp and Thembalethu. R 3milj of the German funding received by the Dept of Sports and Recreation South Africa has been allocated to the Municipality for the development of these recreation facilities. 2 such facilities have been established.
Chrysalis Training Programme	This is an initiative of the Western Cape Provincial Cabinet, to combat the high crime rate, due to substance abuse and gang related activities. The Youth Office assisted with the recruitment of the male and female youth for the training programme. 6 were placed in the Municipality for workplace experience. The second group will complete their in-service training in January 2014.
Safe City Summit	Was held on 16 April 2013 harmonised the focus of the role players relevant to Gender Based Violence in George. Subsequently the Conville Anti-Rape Strategy was implemented and tested with the view of duplicating the programme to the rest of George. 5 Parent meetings were conducted at schools to outline parental responsibility and to explain the relevant laws and a Safe City prayer meeting was held.

Table 151: Highlights: Social Development

## ${\bf 3.21.2}\quad {\bf Challenges-Social\ Development}$

Challenge	Description
No database of local disabled community	Work with partners in the sector to build the database.
The functioning of the Youth Council	Need to establish a new structure in collaboration with the ward committees

Table 152: Challenges: Social Development

## 3.21.3 Service Statistics — Social Development

Type of service	2011/12	2012/13	
Child Care; Aged Care; Social Programmes			
Veggie gardens established	300	94	
Soup kitchens established or supported	133	138	
Initiatives to increase awareness on child abuse	Puppet shows, Child Protection Week and 16 days of Activism. Children reached: 610	Awareness sessions at primary schools, Child Protection Week and 16 Days of Activism against Women and Children Children reached: 1 052	
Youngsters educated and empowered	Life skills Camp: Children reached: <b>20</b>	Leadership Camps: Children reached: <b>45</b>	



Type of service	2011/12	2012/13
	Holiday Programs(2):	Life skills training
	Children attended: 100	Children reached: <b>20</b>
	Information sessions (includes Bursary,	Information sessions (includes Bursary,
	learnerships, employment	learners hips, employment
	opportunities, career guidance, First Aid SA Sport for Change, George Youth	opportunities, career guidance, SA Sport for Change, George Youth
	Development Council): 1 660	Development Council): 1 660
	Careers Exhibitions: 665	Careers Exhibitions: 2 155
	Holiday Programme: <b>400</b>	4 Holiday Programme: <b>781</b>
	Youth Centre Walk-in's: 5 000	Youth Centre Walk-in's: 3 000
		Life skills Camp
		Children reached: 20
		Holiday Programmes (2)
		Children reached:80
	Special disability focus at Women's Day event: 250 women	Outeniqua International Wheel Chair Challenge: 970 participating
	Outeniqua Wheel Chair Challenge Schools Event: 500 children	Outeniqua Wheel Chair Challenge Schools Event: <b>500</b> children
Initiatives to increase awareness on	Disability seminar	Casual Day disability awareness Photo
disability	Outeniqua International Wheel Chair	Competition
	Challenge: 970 participants	ABET for Disabled: 12 Individuals
	"Loslitdag" disability awareness 3 Km fun walk: <b>540</b> participants	Support for 2 Disabled athletes to attend Hermanus Wheel Chair Race
		George Safe City Strategy:
		120 community leaders reached
		Precious Stones Conference:
	Regular talks at community events:	500 reached
Initiatives to increase awareness on women	450 reached	Prophetic Marriage Seminar:
women	Staff seminars 300 reached	150 reached
	300 reached	Prevention Focus Group outreach to school parents:
		<b>750</b> reached
	Support to Libere training programme: 30 empowered.	
Women empowered	Assistance to APD Chips manufacturing project: 5 empowered.	Phoenix Ladies empowerment sessions: 12 reached
	Assistance to Noll pottery project: 7 empowered.	
	Education and Awareness:	Education and Awareness:
	Risky Persons outreaches: 16	Risky Persons outreaches: <b>49</b>
	HCT campaigns: 38	HCT Campaigns: 42
Initiatives to increase awareness on HIV/AIDS	People reached: 2 003	People reached: <b>3v621</b>
	Tested HIV +: 8	Tested HIV+: 2
	Condom distribution: 1 800	Condom distribution: 11 352
	Treatment and Care:	Treatment and Care:



Type of service	2011/12	2012/13
	ARV Care program: 87 food vouchers	ARV Care program:  178 food vouchers
Initiatives to increase awareness on substance abuse and high drug and alcohol related crimes	Consumer Education sessions	Door-to-Door Campaigns on substance abuse:  Persons reached: 1 659  Dissemination of information (flyers, brochures ect.):  Persons reached:411
Special events hosted (World's Aids Day, World Arbour day, World Disability Day, Youth Day, 16 Days of activism against women abuse)	People reached: Candlelight Memorial Services:: 150 Khomanani Day: 30 World AIDS Day: 300 National Youth Day: 1 200	People reached: Candlelight Memorial Service: 200 Khomanani Day: 30 World AIDS Day: 300 Children's' Day: 500 Make-up and Wake-up March – George: 500 Happy Family Arts Competition: 2 000 Take Back The Night March – Uniondale: 450 Women's Day Event for female staff: 250
Mandela Day	AIDS Orphans outing to the Botanical Gardens: Children reached: 30	Volunteers Wellness: 100

 Table 153:
 Social Development Statistics

# 3.21.4 Total employees — Social Development

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	1	1	0	0
9 – 13	7	6	1	14
4 – 8	3	3	0	0
1 – 3	0	0	0	0
Total	11	10	1	9

Table 154: Employees – Social Development



## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; cemetries and costal protection.

Coastal Management is currently a new concept in the country with which the municipality must still start to deal with. Beaches are cleaned in a reactive manner as and when neededand protection services handle all the public behaviours, but there is currently not enough capacity to do this on a fulltime basis. Visits are seasonal and weather permitting. The Eden District Municipality in cooperation with the Provincial Government is in process to develop a coast management plan in terms of the Integrated Coastal Management Act. The Act also refers to a set of standard By-Laws and possible scheme regulations. This project will still take a while to be completed and is currently in the beginning phases. The Provincial Government has also appointed a service provider in terms of the Act to deal with the setback of lines. They must still start with work and Strategic Services will provide inputs in both the aforementioned projects such as inputs with regard to the setback o lines for coastal developments within 100m from the high water mark.

Coastal management will have an impact on various functions within the municipality and there is currently not any personnel dedicated to this responsibility. The Coastal Management Plan that is currently in process to be developed will provide direction in this regard in the near future.

With regard to biodiversity, the Provincial Government is also in process to finalise the Environmental Management Plan for the George area

The Air polution function is shared with the Eden District Municipality which creates a challenge regarding the split between responsibilities

George Municipality has a total of 13 cemeteries to manage. They all add up to 46.3ha. Most of the cemeteries (nine) are in George with four in Uniondale – 110km away from George.

At present, seven of the cemeteries are operational while the other 6 are maintained as if operational. Maintenance is done by four community contractors. During 2012/13 a total of  $\pm$  500 burials took place. The combined capacity allows for a window of about ten years. The possible expansion of the current cemeteries is reflected in the structural plan for George.

There is a privately owned cremation facility in George and it is found that there is an increase in the number of cremations each year (approximately 1200 in 2012/13).

George Municipality has a total of 150 parks with a total of area of 200 ha. These parks are maintained on a regular basis (18 cutting cycles per year) by private contractors. Almost 50% of these parks have playing apparatus. These apparatus are vandalized on a continued basis costing the municipality approximately R150 000 per year to maintain these apparatus. Policy indicates that a Councillor must request the erection of a park or establishment thereof in consultation with the community.



## 3.22 Environmental Protection

## ${\bf 3.22.1 \quad Highlights-Environmental\ Protection}$

Highlight	Description
Cemetery policy	Drafting of cemetery policy in process
Landscaping policy	Drafting of landscaping policy in process
Alien vegetation policy and plan	Completed alien vegetation policy and plan
Coastal plan in process	Drafting of coastal plan in process by Eden DM
EHP training	Environmental Management and refresher law enforcement courses
Air Quality Management plan	AQMP for George Municipality has been completed

Table 155: Highlights: Environmental Protection

## ${\bf 3.22.2} \quad \textbf{Challenges} - \textbf{Environmental Protection}$

Challenge	Description
Keeping of cemetery records	Implementation of electronic records
Maintenance of playparks	Budget constraints
Resources in general	Additional resources
Lack of human resources	Appoint more EHP's
Extension of municipal area	Regular visits to Uniondale area

Table 156: Challenges: Environmental Protection

## 3.22.3 Service Delivery Statistics — Environmental Protection

Performance indicators	2011/12	2012/2013
Noise nuisance complaints	21	5
Air pollution complaints	16	15
Complaints regarding overgrown erven	647	240
Number of complaints received	401	313
Number of complaints resolved	100	313
Number of environmental sessions held	7	6
Issuing of business & entertainment licences	21 applications 19 issued	51 applications 32 issued
Keeping of animals complaints	65	45
Pauper burials	9	15

 Table 157:
 Service Delivery Statistics – Environmental Protection



#### 3.22.4 Total employees — Environmetal Protection

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	1	1	0	0
9 – 13	3	1	2	67
4 – 8	7	6	1	14
1 – 3	18	18	0	0
Total	29	26	3	10

Table 158:

Employees - Environmetal Protection

#### 3.22.5 Capital Expenditure — Environmetal Protection

There were no capital projects for the year under review.

#### COMPONENT F: SECURITY AND SAFETY

This component includes: Traffic; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

The aim of council is to ensure the safety of all residents and visitors in this municipal area through law enforcement. Currently municipal law enforcement officers work closely with SAPS to combat crime while the traffic law enforcement officers are assisting those agencies. Integrated operations are held to prevent crime increase in this municipal area through proper planning. The willingness of the community to report crime assists the different law enforcement agencies tremendously in the fight against crime.

#### 3.23 Traffic and Licensing

Traffic law enforcement is to reduce the number of road accidents annually by 5% and furthermore to ensure a safe traffic flow. The aim is to bring all offenders of traffic violations to book to ensure safe roads. Speed measurements are important due to the fact that 90% of all accidents are caused by speeding. Second serious offence is driving under the influence of liquor due to the fact that the dragger breath alcoholised is not accepted evidence in South African courts. Scholar patrols is established to assist learners to cross roads to schools safely, while regular traffic patrols in residential areas reduce traffic accidents and traffic violations.

## 3.23.1 Highlights — Traffic and Licensing

Highlight	Description
Junior Traffic Training Centre established	To educate learners
Received award	From SA Athletics for Service Delivery
Learner license Program	200 learners from Uniondale obtained their learner licenses

Table 159: Highlights: Traffic and Licensing

## 3.23.2 Challenges — Traffic and Licensing

Challenge	Action to address	
Manpower	To appoint more traffic officers	
Safety of Officers	To equip officers	
Equipment shortage	Purchase equipment	

Table 160: Challenges: Traffic and Licensing

#### 3.23.3 Service Statistics — Traffic Services

Details	2011/12	2012/13
Number of road traffic accidents during the year	377	2 979 (Stats from SAPS)
Number of Traffic officers in the field on an average day	15	14
Number of Traffic officers on duty on an average day	15	14
Motor vehicle licenses processed	79 400	67 722
Learner driver licenses processed	4 021	4 296
R-value of fines collected	R11 768 540.61	R14 370 350.27
Roadblocks held	39	218
Complaints attended to by Traffic Officers	345	198
Special Functions – Escorts	376	306
Awareness initiatives on public safety	350	44 (Jan to June 2013)

 Table 161:
 Service Statistics: Traffic Services



#### 3.23.4 Total employees — Traffic Services

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	2	1	1	50
9 – 13	53	44	9	17
4 – 8	0	0	0	0
1 – 3	0	0	0	0
Total	55	45	10	18

Table 162: Employees – Traffic Services

#### 3.23.5 Capital Expenditure — Traffic Services

	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
	R'000		
CCTV Cameras: Electrical installation	1 500	2 216	1 725
Radios	100	150	132
Fire arms	200	200	175
Security cameras for council property	400	400	182
Safety Equipment	0	80	75
Total	2 200	3 046	2 288

Table 163: Capital Expenditure 2012/13: Traffic Services

#### 3.24 Fire and Disaster Management

The strive of this section is to save lives and to protect property. Awareness campaigns in informal areas did reduce the number of fires in those areas as well as the restructuring of shacks to ensure that fire fighting vehicles and fire fighter can reach those in need. Immediate relief is provided to victims of fires and flooding in the form of food parcels, blankets and emergency housing kids.

The Fire Services has identified the need to conduct more Fire Prevention inspections to make George a Safer city and to effectively train all fire personnel to a minimum qualification of Fire Fighter 2.

## 3.24.1 Highlights — Fire and Disaster Management

Highlight	Description
NBM 7's	Provide Disaster Management assistance at the National Rugby event held in December 2012

Table 164: Highlights: Fire and Disaster management

#### 3.24.2 Service Statistics — Fire and Disaster Management

Details	2011/12	2013/14
Total fires attended in the year	543	805
Total of other incidents attended in the year	454	713
Average turnout time - urban areas	7 min	7 min
Average turnout time - rural areas	18 min	18 min
Fire fighters in post at year end	19	19
Total fire appliances at year end	11	11
Average number of appliance off the road during the year	10	10
Total Operational call-outs	997	1 518
Reservists and volunteers trained	0	0
Awareness Initiatives on Fire Safety	3	0

Table 165: Service Data for Fire and Disaster Management

#### 3.24.3 Total employees - Fire and Disaster Management

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
		Number		%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	1	1	0	0
9 – 13	8	5	3	38
4-8	41	37	4	10
1 – 3	2	1	1	50
Total	52	44	8	15

Table 166: Total Employees: Fire services



#### 3.24.4 Capital Expenditure — Fire and Disaster Management

	2012/13		
Capital Projects	Budget	Adjustment Budget	Actual Expenditure
	R'000		
Digital Voice Recorder	30	28	23
Computer Hardware	9	11	9
Disaster Management Equipment	300	300	287
Total	339	339	319

Table 167: Capital Expenditure 2012/13: Fire Services

#### COMPONENT G: SPORT AND RECREATION

#### 3.25 Holiday Resorts and Campsites

The George Municipality is responsible for the management and maintenance of one holiday resorts in our municipal area, which is Heroldsbay which only makes provision for camping sites.

The main priority of the caravan park is for the guests to experience true hospitality and efficient client service. All of our resort is next to the beach, where the sheer natural beauty of the sea can be experienced. Braai facilities, water taps and refuse bins are positioned at regular intervals at the campsite.

On arrival at the park we provide you with the necessary information including the rules and safety evacuation plan.

George manages four beaches namely Herolds Bay, Gwaing, Victoria Bay, and Leentjiesklip in Wilderness. Beaches east of the Touw River are managed by Sun parks. At Herolds Bay there is also a caravan park/camping area with 42 stands. During summer months the beaches and the caravan park are very popular amongst national and international tourists.

George Municipality has a total of 150 parks with a total of area of 200 ha. These parks are maintained on a regular basis (18 cutting cycles per year) by private contractors. Almost 50% of these parks have playing apparatus. These apparatus are vandalized on a continued basis costing the municipality approximately R150 000 per year to maintain these apparatus. Policy indicates that a Councillor must request the erection of a park or establishment thereof in consultation with the community.

#### 3.25.1 Service Statistics —Holiday Resorts and Campsites

Description	2011/12	2012/13
% Occupation for the year	100% during December/ January 1 624 overnight stays for the year	100% during December/ January 1 744 overnight stays for the year

Table 168: Service Statistics -Holiday Resorts and Campsites



## 3.26 Sport Grounds and Swimming Pools

The George Municipality is responsible for the management and maintenance of 10 sport grounds in our municipal area.

It is the municipality's goal to create a healthy lifestyle for all our residents, by offering a wide range of well-maintained and managed sport facilities.

#### 3.26.1 Highlights — Sport Grounds and Swimming Pools

Highlight	Description
Development of YDVS – Sport facilities at Thembalethu Erf 6050 & Pacaltsdorp Erf 6379 – externally funded	Construction of Kick – about Sport facility - accommodate youth 8 -18 years. – against crime, violence , Hiv & Aids
Upgrading of Lawaaikamp Sport Grounds Erf - 16 231 externally funded – Lottery.	Upgrading & creation of Sport facilties at Dr Molefi Olifant Staduim into a multi – sport venue, with a bias to football development.
Potential development of Rosedale Erf 8421 and Uniondale Erf 800 - commitment external funding	Construction of Kick – about Sport facility – accommodate youth 8-18 years – against crime , violence , HIv & Aids

Table 169: Highlights: S

#### **Highlights: Sport Grounds and Swimming Pools**

#### 3.26.2 Challenges — Sport Grounds and Swimming Pools

Challenge	Actions to address	
Sport Committee without necessary administrative & management capacity.	George Municipal Sport Council to attend Sport Club Training courses \ sessions ,in sport administrative & management matters.	
Uprading of sport facilities to at least acceptable national standard.	To secure external funding on an ongoing basis.	

Table 170:

**Challenges: Sport Grounds and Swimming Pools** 

#### 3.26.3 Service Statistics - Sport Grounds and Swimming Pools

Service 2011/12		2012/13		
Swimming Pools				
Number of visitors per annum	2 163	17 176		
R-value collected from entrance fees	R13 134.50	R40 038.00		

Table 171:

Service Statistics: Sport Grounds and Swimming Pools



## 3.26.4 Employees — Sport Grounds and Swimming Pools

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number			%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	0	0	0	0
9 – 13	0	0	0	0
4 – 8	13	13	0	0
1 – 3	0	0	0	0
Total	13	13	0	0

Table 172:

**Total Employees: Sport Grounds and Swimming Pools** 

#### 3.26.5 Capital Expenditure — Sport Grounds and Swimming Pools

	2012/13				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure		
R'000					
Upgrade of Lawaaikamp Sportground	0	1 000	663		
Thembalthu Sport Facilities	0	1 800	998		
Pacaltsdorp Sport Facilities	0	1 200	1 081		
Replace pavillion roof - Rosemore Stadium	2 700	3 070	1 609		
Total	2 700	7 070	4 350		

Table 173:

Capital Expenditure 2012/13: Sport Grounds and Swimming Pools

## 3.27 Community Halls, Facilities and Thusong centres

## 3.27.1 Employees — Community Halls, Facilities and Thusong Centres

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number			%
Senior Management	0	0	0	0
19 – 21	0	0	0	0
14 – 18	0	0	0	0
9 – 13	0	0	0	0
4 – 8	1	1	0	0



			2/13	
TASK Job Level	Posts Employees Vacancies (fulltime equivalents)		Vacancies (as a % of total posts)	
	Number		%	
1 – 3	6	6	0	0
Total	7	7	0	

Table 174:

Total Employees: Community Halls, Facilities and Thusong Centres

#### 3.27.2 Capital Expenditure — Community halls, facilities, Thusong centres

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
R'000				
Burglar bars - Conville hall	0	30	29	
Kitchen upgrade - Conville hall	0	30	27	
Kitchen upgrade - Pacaltsdorp hall	120	30	28	
Total	120	90	84	

Table 175:

Capital Expenditure 2012/13: Community halls, facilities, Thusong centres

## COMPONENT H: CORPORATE POLICY OFFICES AND OTHER SERVICES

## 3.28 Office of the Municipal Manager

The office of the Municipal manager include the functions IDP, PMS, Legal services and risk and internal audit.

#### 3.28.1 Highlights — Office of the Municipal Manager

Highlight	Description
The restructuring of the Office of the Municipal Manager	LED, IDP, Tourism and Communication was incorporated in the structure of the Office of the MM and now reports to the Deputy- Director: Strategic Services
One of the Top Ten municipalities for LED in South Africa	University of Johannesburg Program researched and examinated various municipalities in South Africa in terms of a maturity assessment
Appointment of a nwe Communication Officer	Commence duties in 2014
The establishment of the Communication Unit	Was approved on organogram

Table 176:

Highlights: Office of the Municipal Manager

#### 3.28.2 Challenges — Office of the Municipal Manager

Challenge	Description
Tourism strategy must be developed as soon as possible	Will be addressed in 2014



Challenge	Description
Tourism personnel need to go for training	Liaise with HR department on training programmes available
Stakeholder perceptions about Tourism activities	Meet with stakeholders to address perceptions
Propper budget need for Tourism Project Development	Submit budget montivations

Table 177: Challenges: Office of the Municipal Manager

## 3.28.3 Total employees - Office of the Municipal Manager

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number			%
Senior Management	2	1	1	50
19 – 21	1	1	0	0
14 – 18	9	7	2	22
9 – 13	17	11	6	35
4 – 8	17	1	16	94
1 – 3	3	1	2	67
Total	49	22	27	55

Table 178: Employees – Office of the Municipal Manager

## 3.29 Administration

## $3.29.1 \quad \textbf{Total employees} - \textbf{Administration}$

	2012/13			
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	Number			%
Senior Management	1	1	0	0
19 – 21	1	1	0	0
14 – 18	3	1	2	67
9 – 13	17	10	7	41
4 – 8	33	15	18	55
1 – 3	22	13	9	41
Total	77	41	36	47

Table 179: Employees – Administration



## 3.29.2 Capital Expenditure — Administration

	2012/13				
Capital Projects	Budget	Adjustment Budget	Actual Expenditure		
R'000					
Bulk filers	200	200	199		
Furniture	0	64	75		
Computer hardware	0	75	62		
Total	200	339	335		

Table 180: Capital Expenditure 2012/13: Administration

#### 3.30 Financial Services

## 3.30.1 Total employees — Financial Services

	2012/13				
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		%			
Senior Management	1	1	0	0	
19 – 21	0	0	0	0	
14 – 18	9	8	1	11	
9 – 13	31	25	6	19	
4 – 8	114	78	36	32	
1 – 3	0	0	0	0	
Total	155	112	43	28	

Table 181: Employees – Financial Services

## 3.30.2 Capital Expenditure — Financial Services

	2012/13			
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	
	R'000			
Aircon for server room	200	125	111	
Furniture	30	30	27	
Total	230	155	139	

Table 182: Capital Expenditure 2012/13: Financial Services



#### 3.31 Human Resource Services

#### 3.31.1 Total employees — Human Resource Services

	2012/13				
TASK Job Level	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		Number		%	
Senior Management	0	0	0	0	
19 – 21	1	1	0	0	
14 – 18	1	1	0	0	
9 – 13	34	10	24	71	
4 – 8	23	4	19	83	
1 – 3	0	0	0	0	
Total	59	16	43	73	

Table 183:

Employees - Human Resource Services

## COMPONENT I: ORGANISATIONAL PERFOMANCE SCORECARD

This component includes the Annual Performance Scorecard Report for the current year.

## 3.32 Development and Service Delivery Priorities for 2013/14

The main development and service delivery priorities for 2013/14 forms part of the Municipality's top layer SDBIP for 2013/14 and are indicated in the table below:

## 3.32.1 Deliver quality services in George

Ref	KPI	Unit of Measurement	Wards	Annual Target
TL1	Host outreach programs and initiatives to create Libraries awareness	Number of initiatives hosted	All	40
TL2	Lodge of awareness programs through monthly exhibitions in Libraries	Number of exhibitions held	All	96
TL3	Develop a Social Development Strategy and submit to Council by end March	Strategy submitted to Council by end March	All	1
TL4	Review of the HIV/Aids policy and submit to Council by end June	Draft policy submitted to Council by end June	All	1
TL5	Host special events within municipal area with regard to social development	Number of special events hosted	All	8
TL6	Establish a youth Council by end December	Council established	All	1
TL7	Compile a business plan for the implementation of the energy efficient	Plan compiled	All	1



Ref	КРІ	Unit of Measurement	Wards	Annual Target
	projects as required by the Department of Energy			
TL8	Limit electricity losses to less than 10% (Total sales divided by units purchased)	% losses	All	10%
TL9	Update the Electricity Master Plan for approval by the Portfolio Committee by the end of March	Plan approved	All	1
TL10	Expand 66kv main network in terms of the approved projects	Number of projects completed	All	5
TL11	Complete Energy Management Projects to manage demand	Number of projects completed	All	1
TL12	Upgrade and extend 11kv network in terms of the approved projects	Number of projects completed	All	5
TL13	Replace obsolete 11kv switchgear and equipment	Number of projects completed	All	2
TL14	Upgrade obsolete Low Voltage Network cables	Number of projects completed	4; 14; 18; 19; 25	4
TL15	Complete USIP 4C Electrification projects	Number of projects completed	All	3
TL16	Replace the Fuel Management System (Petrol Management System) within the budget available	% of budget spent	All	100%
TL17	Install a tracking system in 290 vehicles	Number of vehicles	All	140
TL18	Extension And Upgrading To Buildings (Toilets)	Number of projects completed	All	1
TL19	Construct a roof for Fuel Pumps	Project completed	All	1
TL20	Purchase and install security cameras for increased safety and security	Number of cameras installed	All	9
TL21	Replace and upgrade existing fleet	Number of vehicles purchased	All	4
TL22	Review the Integrated Human Settlement Plan and submit draft to Committee by end June	Plan submitted to committee by end June	All	1
TL23	Purchase of customized containers for Crèches	Number of containers purchased	All	4
TL24	Construct a palisade fence for Masizakhe Crèche: Thembalethu for increased safety and security	Fence completed	11	1
TL25	Complete paving at the Masizakhe service centre	Paving completed	11	1
TL26	Rectify houses in Thembalethu	Number of houses rectified	9; 10; 12; 13; 15; 21	500
TL27	Provide toilets and wash facilities trough serviced sites in Thembalethu Asazani	Number of toilets and wash facilities provided	9; 10; 12; 13	600
TL28	Prepare temporary relocation area for UISP	Project completed	9; 10; 12; 13; 15	1



Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL29	Complete planning and design for Pacaltsdorp (2000) housing project	Project completed	14	1
TL30	Complete planning and design for Golden Valley (260) housing project	Project completed	1	1
TL31	Complete planning and design for Protea Park (60) housing project	Project completed	6	1
TL32	Upgrade of existing heritage building in Pacaltsdorp	Project completed	14	1
TL33	Purchase 1 4X4 vehicle for land management	Number of vehicles	All	1
TL34	Complete zoning maps in terms of the new zoning scheme	Number of maps completed	All	1
TL35	Complete the consultation process with HWC with regards to the Heritage Inventory and submit plan to the Committee for consideration by end December	Plan submitted to the committee by end December	1	1
TL36	Compile plan for the CBD walkways and submit to the Committee by end June	Plan submitted to the committee by end June	20	1
TL37	Compile a plan for the Thembalethu urban upgrade and submit first draft to the Committee by end June	Plan submitted to the committee by end June	10; 11; 12; 13; 14; 22	1
TL38	Compile a spatial development plan for Haarlem and Uniondale and submit to the Committee by end June	Plan submitted to the committee by end June	24; 25	1
TL39	Limit water network losses to less than 15% (Difference between water supplied and water billed)	% losses	All	15%
TL40	Rehabilitate and upgrade Streets And Stormwater in terms of the approved budget	% of budget spend	All	85%
TL41	Rehabilitate and upgrade the Public Transport Network and systems in terms of the approved budget	% of budget spend	All	85%
TL42	Rehabilitate and upgrade Water - Networks in terms of the approved budget	% of budget spend	All	85%
TL43	Rehabilitate and upgrade Water- Purification in terms of the approved budget	% of budget spend	All	85%
TL44	Rehabilitate and upgrade the Sewerage Networks in terms of the approved budget	% of budget spend	All	85%
TL45	Rehabilitate and upgrade the Sewerage Treatment Works in terms of the approved budget	% of budget spend	All	85%
TL46	Update of the Pavement Management System based on approved budget	System updated	All	1
TL47	Develop a Stormwater Master Plan	Plan developed	All	1



Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL48	Furnish the Thembalethu Community Hall (Zone 9)	% of approved budget spent for combined furnishings	12	100%

Table 184:

Service Delivery Priorities for 2013/14 – Deliver quality services in George

## 3.32.2 Good Governance in George

Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL80	Submit the annual financial statements by end August to the Office of the Auditor-General	Financial statements submitted	All	1
TL81	Financial viability measured in terms of the available cash to cover fixed operating expenditure	Cost coverage ((Available cash+ investments)/ Monthly fixed operating expenditure	All	2.2
TL82	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations	Debt coverage ((Total operating revenue-operating grants received)/debt service payments due within the year)	All	14
TL83	Financial viability measured in terms of the outstanding service debtors	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	All	16.40%
TL84	Achieve a payment percentage of above 95%	Payment % achieved	All	95%
TL85	Complete Supplementary Valuation Rolls	Number supplementary Valuation rolls completed	All	2
TL86	Review the Long Term Financial Plan and submit to Council for approval by end March	Reviewed Long Term Financial Plan submitted to Council	All	1
TL87	Review the tariff structure and submit to Council for approval by end March	Reviewed tariff structure submitted to Council	All	1
TL88	Maintain an unqualified audit opinion	Unqualified audit opinion achieved	All	1
TL89	Fill vacant budgeted posts in line with organisational priority within 3 months after the closure of the advertisements (Number of posts filled within target period/ number of posts advertised)	% budget posts filled within 3 months after the closure of the advisement	All	90%
TL90	Develop the skills of staff (Actual total training expenditure/total operational budget)	% of total operational budget spent on training	All	1%
TL91	Review the organisational structure annually and submit to Council for approval by end March	Reviewed structure submitted to Council by end March	All	1
TL92	Develop an IT Master systems plan and submit draft to Council for approval by end June	Draft completed and submitted to Council by end June	All	1
TL93	Implement an individual performance management system	Up to post level implemented	All	12



Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL94	Review the 3 year Internal Audit Plan based on Risk Assessment and submit to audit committee and Council by end September	RBAP submitted	All	1
TL95	Execution of Internal Plan and issuing of Internal Audit Reports based on Internal Audit Plan ((Actual hours completed/Planned hours to be completed)	% of target hours completed	All	100%
TL96	Facilitate the review of the Risk Management Policy and submit to Council by end September	Risk assessment submitted to Council by end September	All	1
TL97	Submit quarterly reports to Council on the actual performance in terms of the Top Layer SDBIP	Number of reports submitted to Council	All	4
TL98	Review the Whistle Blower Protection policy and submit to Council for approval by end September	Whistle Blower Protection policy submitted to Council by end September	All	1

 Table 185:
 Services Delivery Priorities for 2013/14 –Good Governance in George

## 3.32.3 Grow George

Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL49	Maintain and upgrade existing sport facilities	Number of projects completed	All	6
TL50	Construct new sport facilities	Number of projects completed	14; 16; 25	2
TL51	Update the LED strategy and submit draft to Council for approval by end March	Revised LED strategy submitted to Council by end March	All	1
TL52	Establish a LED stakeholder platform by end June	LED stakeholder platform established	All	1
TL53	Draft an informal economy policy and submit to Council for approval by end June	Informal economy policy submitted to Council by end June	All	1
TL54	Development and sign a SLA with the Western Cape Economic Development Partnership by end December	SLA signed	All	1
TL55	Draft a berry industry support plan and submit to Council for approval by end December	Draft berry industry support plan submitted to Council by end December	All	1
TL56	Host at least one ICT event by end August	ICT event hosted by end August	All	1
TL57	Submit a report to Council by end December on the possible use of municipal land for forestry purposes	Report submitted to Council by end December	All	1
TL58	Establish at least one special rating area by end June	Special rating area established	All	1



Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL59	Complete a detail business process analysis with recommendation on possible process improvements with regard to red tape reduction and submit to Council by end December	Business process analysis with recommendations submitted to Council by end December	All	1
TL60	Create FTE's through government expenditure with the EPWP	Number of FTE's created	All	297
TL61	Develop and sign a project specific MOU with the NMMU by end March	MOU signed with the NMMU	All	1
TL62	Market George at Trade Shows	Number of events	All	1
TL63	Regular review and update of tourism brochures	Number of reviews and/or updates	All	2

Table 186:

Services Delivery Priorities for 2013/14 – Grow George

## 3.32.4 Keep George Safe and Green

Ref	КРІ	Unit of Measurement	Wards	Annual Target
TL64	Achieve Blue Drop status per supply system	Number of awards received	All	2
TL65	Install radio base system for environmental services	Radio base systems installed	All	1
TL66	Purchase a new fire fighting vehicle	Vehicle purchased	All	1
TL67	Review the Disaster Management Plan and submit to Council for approval by end September	Reviewed plan submitted to Council by end September	All	1
TL68	Submit monthly reports on the inspection of business sites and fire prevention inspections as per annual plan and where requested	Number reports submitted on inspections conducted	All	12
TL69	Install 25 CCTV Cameras ( Phase 4,5,6)	Number of cameras installed	All	25
TL70	Upgrade of the traffic offices	% of approved project budget spent	All	100%
TL71	Purchase new vehicle for Traffic Services	% of approved budget spent	All	100%
TL72	Purchase 12 new fire arms	Number of new fire arms purchased	All	12
TL73	Hold road blocks within the area to enhance road safety	Number of road blocks held	All	12
TL74	Conduct awareness & safety initiatives on public safety	Number of initiatives	All	12
TL75	Install security cameras on Council property (sport grounds and properties as identified in the risk analyses)	Number of cameras installed	All	4
TL76	Purchase bulk refuse containers	% of approved project budget spent	All	100%
TL77	Purchase refuse trucks	Number of refuse trucks purchased	All	2



Ref	КРІ	KPI Unit of Measurement				
TL78	Purchase meter to measure gasses at factories to determine levels according to Air quality act standards	Meter purchased	All	1		
TL79	Install lighting in terms of the approved budget	% of budget spend	All	85%		

Table 187:

Services Delivery Priorities for 2013/14 - Keep George Safe and Green

## 3.32.5 Participate in George

Ref	КРІ	Unit of Measurement	Wards	Annual Target	
TL99	Develop a customer care policy and submit to Council for approval by end March	Draft customer care policy completed and submitted to Council by end March	All	1	
TL100	Issue external newsletters	Issue external newsletters Number of external news letters issued			
TL101	Publish Focus-op	Focus-op Number of publications		22	
TL102	Compile an internal and external communication strategy and submit to Council for approval by end June	Communication strategy submitted to Council by end June	All	1	
TL103	Complete a customer survey by end June and submit a report with recommendations to Council	Customer survey completed	All	1	
TL104	Develop and communicate a client service charter with service standards and submit to Council for approval by end June	Client service charter completed	All	1	
TL105	Revise the ward based plans by end May and include in the IDP	Number of ward based plans revised	All	25	

Table 188:

Services Delivery Priorities for 2013/14 - Participate in George



## Chapter 4: Organisational Development

# 4.1 National Key Performance Indicators — Municipal Transformation and Organisational Development

The following table indicates the municipality's performance in terms of the National Key Performance Indicators required in terms of the Local Government: Municipal Planning and the Performance Management Regulations of 2001 and section 43 of the MSA. These key performance indicators are linked to the National Key Performance Area – Municipal Transformation and Organisational Development.

Indicators	Municipal achievement 2011/12	Municipal achievement
The number of people from <b>employment equity</b> target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	0	0
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	59	63

Table 189:

National KPIs- Municipal Transformation and Organisational Development

#### 4.2 Introduction to the Municipal Workforce

The George Municipality currently employs 1 898 (excluding non-permanent positions) officials, who individually and collectively contribute to the achievement of Municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

#### 4.2.1 Employment Equity targets and actuals

The Employment Equity Act (1998) Chapter 3, Section 15 (1) states that affirmative action measures are measures designed to ensure that suitable qualified people from designated groups have equal employment opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer. The national performance indicator also refers to: "Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan"

Black Coloured			Indian				White				
Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach	Target June	Actual June	Target reach
566	287	51%	970	557	57%	17	3	18%	345	142	41%



Table 190: 2012/13 EE targets/Actual by racial classification

	Male		Female			
Target June Actual June Target reach		Target June	Actual June	Target reach		
1 003	631	63%	895	358	40%	

**Table 191:** 

2012/13 EE targets/actual by gender classification

## 4.2.2 Occupational Categories — Race

Below is a table that indicate the number of employees by race within the specific occupational categories:

			Posts fi	lled					
Occupational		Ma	ale			Fen	nale		
categories	A	C	I	w	A	С	I	W	Total
Legislators, senior officials and managers	12	18	0	19	8	4	1	3	65
Professionals	4	19	1	17	1	10	1	13	66
Technicians and associate professionals	4	11	0	13	0	2	0	0	30
Clerks	19	81	0	19	37	102	1	31	290
Service and sales workers	13	34	0	7	9	22	0	8	93
Craft and related trades workers									0
Plant and machine operators and assemblers	41	46	0	7	3	6	0	0	103
Elementary occupations	127	141	0	7	38	74	1	1	389
Total	220	350	1	89	96	220	4	56	1 036
		Num	bers Include	e councillors	5				

Table 192:

**Occupational Categories** 

## 4.2.3 Occupational Levels - Race

The table below categories the number of employees by race within the occupational levels:

Occupational	Male				Female				Total
Levels	A	С	I	w	A	С	I	w	10tai
Top Management	0	3	0	4	0	0	0	0	7
Senior management	0	0	0	2	0	0	0	1	3
Professionally qualified and experienced specialists and mid-management	3	18	0	16	0	3	1	6	47
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	23	85	1	35	16	47	1	23	231



Occupational	Male				Female				Total
Levels	A	С	I	w	A	С	I	w	10ta1
Semi-skilled and discretionary decision making	96	135	0	27	38	114	0	26	436
Unskilled and defined decision making	82	100	0	1	29	52	0	1	265
Total permanent	204	341	1	85	83	216	2	57	989
Non- permanent employees	0	0	0	0	0	0	0	0	0
Grand total	204	341	1	85	83	216	2	57	989

Table 193: Occupational Levels

#### 4.2.4 Departments - Race

The following table categories the number of employees by race within the different departments:

Donovimont		M	ale			Fen	nale		Total
Department	A	С	I	w	A	С	I	w	lotai
Office of the Municipal Manager	2	3	0	2	1	10	0	4	22
Financial Services	7	30	0	9	12	32	0	22	112
Planning and Housing	3	22	0	9	3	14	0	4	55
Corporate and Social Services	11	25	0	4	14	36	0	4	94
Community Safety	75	100	0	20	26	69	0	15	305
Environmental Affairs	0	0	0	0	0	0	0	0	0
Electro Technical Services	28	32	1	27	12	19	1	4	124
Civil Engineering Services	78	129	0	14	15	36	1	4	277
Total permanent	204	341	1	85	83	216	2	57	989
Non- permanent	0	0	0	0	0	0	0	0	0
Grand total	204	341	1	85	83	216	2	57	989

Table 194: Department - Race

## 4.3 Vacancy Rate

The approved organogram for the municipality had 1 898 posts for the 2012/13 financial year. The actual positions filled are indicated in the tables below by post level and by functional level. 909 Posts were vacant at the end of 2012/13, resulting in a vacancy rate of 48%.

Below is a table that indicates the vacancies within the municipality:

PER POST LEVEL									
Post level	Filled	Vacant							
Top Management	1	0							
Senior Management	6	2							



PER POST LEVEL						
Post level	Filled	Vacant				
Middle management	50	32				
Skilled	231	253				
Semi-Skilled	436	416				
Unskilled	1	0				
Total	989	909				
PER FUNCTIONAL LEVEL						
Functional area	Filled	Vacant				
Office of the Municipal Manager	22	26				
Financial Services	112	43				
Planning and Housing	55	64				
Corporate and Social Services	94	83				
Community Safety	305	275				
Electro Technical Services	124	139				
Civil Engineering Services	277	280				
Total	989	909				

Table 195:

Vacancy rate per post and functional level

#### 4.4 Turnover rate

A high turnover may be costly to a municipality and might negatively affect productivity, service delivery and institutional memory/organizational knowledge. Below is a table that shows the turnover rate within the municipality.

The table below indicates the turn-over rate over the last two years:

Financial year	Total no appointments at the end of each Financial Year	at the end of each New appointments		Turn-over Rate
2011/12	983	51	42	4.27%
2012/13	989	37	33	3.34%

Table 196:

Turnover Rate

## 4.5 Managing the Municipal Workforce

Managing the municipal workforce refers to analysing and coordinating employee behaviour.



#### 4.5.1 Injuries

An occupational injury is a personal injury, disease or death resulting from an occupational accident. Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

The injury rate shows an increase for the 2012/13 financial year from **293** employees injured against **252** employees in the 2011/12 financial year.

The table below indicates the total number of injuries within the different directorates:

Directorates	2011/12	2012/13
Office of the Municipal Manager	6	4
Financial Services	10	3
Planning and Housing	4	9
Corporate and Social Services	14	34
Community Safety	40	39
Environmental Affairs	50	32
Electro Technical Services	32	16
Civil Engineering Services	96	114
Total	252	293

Table 197: Injuries

#### 4.5.2 Sick Leave

The number of day's sick leave taken by employees has service delivery and cost implications. The monitoring of sick leave identifies certain patterns or trends. Once these patterns are identified, corrective action can be taken.

The table below indicates the total number sick leave days taken within the different directorates:

Department	2011/12	2012/13
Office of the Municipal Manager	86	131
Financial Services	964	1098
Planning and Housing	491	426
Corporate and Social Services	1 365	885
Community Safety	2 226	2158
Electro Technical Services	1 064	1 010
Civil Engineering Services	2 124	2 442
DMA	No info	161
Total	8 320	8 311

Table 198:

Sick Leave



#### 4.5.3 HR Policies and Plans

Policies and plans provide guidance for fair and consistent staff treatment and a consistent approach to the managing of staff.

The table below shows the HR policies and plans that are approved and that still needs to be developed:

#### **Approved policies**

Name of policy	Date approved/ revised
Appointment Policy	29 August 2012
Acting Policy	29 November 2012
Overtime Policy	29 November 2012
Placement Policy	29 November 2012
Succession and Career Path Policy	29 November 2012
Training and Development Policy	29 November 2012
Scarce Skills and Staff Retention Policy	March 2008
Experiential Policy	29 November 2012
Internal Bursary Policy	March 2010
External Bursary Policy	March 2010
Personal Protective Equipment Policy	29 November 2012
Motor Vehicle Policy	29 August 2012

Table 199: HR policies and plans

The Human Resources department submits policies to the Local Labour Forum on a regular basis for review purposes.

## 4.6 Capacitating the Municipal Workforce

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 20 1999 (Act No. 28 of 1999).

# GEORGE THE CITY FOR ALL REASONS

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#### 4.6.1 Skills Matrix

The table below indicates the number of employees that received training in the year under review:

The table below indicates the number of employees that received training in the year under review:

Management level	Gender	Number of employees identified for training at start of the year	Number of Employees that received training
Locialetera	Female	18	0
Legislators	Male	31	0
MM and Directors	Female	0	0
WIWI and Directors	Male	0	6
Professionals	Female	1	13
Professionals	Male	4	17
Technicians	Female	16	2
recnnicians	Male	27	9
Community and Personal Service	Female	6	10
workers	Male	24	32
Clerical and Administrative	Female	32	60
Workers	Male	25	15
Machine on austana and duineur	Female	23	13
Machine operators and drivers	Male	64	70
Labourers	Female	31	20
Ladoureis	Male	72	29
Sub total	Female	127	118
Sub total	Male	247	178
Total		374	296

Table 200:

Skills Matrix

The reason for the total identified group not being trained is due to budgetary constraints and also dependence on the discretionary grant applications to the LGSETA for learnerships.

The following training was provided for employees trained:

- Municipal Finance Management programme
- ◆ LGAAC
- ABET
- ODETDP certificate
- ODETDP diploma
- IT communication technology
- Advance achives
- Supervise fire arm training
- HAZMET operational
- Fire fighter 2



- Environmental management
- Electrical learnership
- Renewal overhead crane truck
- New overhead crane truck
- ♦ GIS
- Laboratory audit
- Good laboratory practice
- ♦ ISO17025
- Examiner of drivers
- Law enforcement refresher
- SAMTRAC
- Isixhosa
- Disciplinary procedure
- Facilitation
- Report writing
- Assessor
- Moderator

#### 4.6.2 Skills Development — Training provided

The Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1)(f) states that as head of administration the Municipal Manager is responsible for the management, utilization and training of staff.

		Number of			Training provided within						
Occupational categories	Gender	employees as at the beginning of the	Learnerships		Learnerships		Learnerships Skills programmes & other short courses		Total		
		financial year	Actual	Target	Actual	Target	Actual	Target	% achieved		
Legislators	Female	18	0	0	0	0	0	0	n/a		
Legislators	Male	31	0	0	0	0	0	0	n/a		
MM and S57	Female	0	0	0	0	0	0	0	n/a		
Will and SSI	Male	5	6	0	0	0	6	0	600		
Professionals	Female	11	12	0	1	0	13	1	1 300		
Professionals	Male	35	17	0	1	0	18	4	450		
Technicians	Female	38	0	0	2	0	2	16	13		
Technicians	Male	55	0	0	9	0	9	27	33		
Community and	Female	31	0	0	10	0	10	6	167		
Service workers	Male	54	0	0	32	0	32	24	133		
Clerical and	Female	139	0	0	60	0	60	32	188		
Administrative Workers	Male	62	0	0	15	0	15	25	60		
Machine	Female	42	0	0	13	0	13	23	57		
operators and drivers	Male	195	10	0	60	0	70	64	109		



		Number of	Number of Training provided within the reporting period						
Occupational categories	Gender	employees as at the beginning of the	Learne	erships	program other	ills mmes & short rses		Total	
		financial year	Actual	Target	Actual	Target	Actual	Target	% achieved
Labourers	Female	100	20	0	0	0	20	31	65
Labourers	Male	219	29	0	0	0	29	72	40
Sub total	Female	379	32	0	86	0	118	109	108
Sub total	Male	626	62	0	117	0	173	216	80
Total		1 005	94	0	203	0	291	325	90

Table 201: Skills Development

#### 4.6.3 Skills Development - Budget allocation

The table below indicates that a total amount of R 523 500 were allocated to the workplace skills plan and that 63% of the total amount was spent in the 2012/13 financial year:

Year	Total personnel budget	Total Allocated	Total Spend	% Spent
2011/12	R 230 098 122	R 178 500	R 105 726	59
2012/13	R 262 125 300	R 523 500.00	R 329 180.35	63

Table 202: Budget allocated and spent for skills development

#### 4.6.4 MFMA Competencies

In terms of Section 83 (1) of the MFMA, the accounting officer, senior managers, the chief financial officer, non-financial managers and other financial officials of a municipality must meet the prescribed financial management competency levels that are key to the successful implementation of the Municipal Finance Management Act. National Treasury has prescribed such financial management competencies in Government Notice 493 dated 15 June 2007.

The table below provides details of the financial competency development progress as required by the regulation:

Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))		
	Financial Officials					
Accounting officer	1	0	0	0		
Chief financial officer	1	0	0	0		



Description	Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	Competency assessments completed (Regulation 14(4)(b) and (d))	Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))		
Senior managers	5	3	3	3		
Any other financial officials	31	6	n/a	6		
	Supply Chair	n Management Officia	ıls			
Heads of supply chain management units	1	1	n/a	1		
Supply chain management senior managers	0	0	0	0		
Sub Total	39	10	3	10		
Other Officials for the purpose of acting and succession planning						
Other Officials	12	0	0	0		
Total	51	10	3	10		

Table 203:

Financial Competency Development: Progress Report

#### 4.7 Managing the Municipal Workforce Expenditure

Section 66 of the MSA states that the accounting officer of a municipality must report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits. This is in line with the requirements of the Public Service Regulations, (2002), as well as National Treasury Budget and Reporting Regulations SA22 and SA23.

#### 4.7.1 Personnel Expenditure

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

Financial year	Total Expenditure salary and allowances	Total Operating Expenditure	Percentage
	R'(	%	
2011/12	262 748	939 312	27.97
2012/13	268 287	1 001 145	26.80

Table 204:

Personnel Expenditure



Below is a summary of Councillor and staff benefits for the year under review:

Financial year	2011/12	2012/13				
Description	Actual	Original Budget	Adjusted Budget	Actual		
	R'000					
Councillors (Political Office Bearers plus Other)						
Executive Mayor	395	501	501	413		
Deputy Executive Mayor	331	400	400	350		
Speaker	381	400	400	402		
Chief Whip	204	375	375	328		
Mayoral Committee Members	3 039	3 377	3 377	3 031		
Councillors	4 808	5 404	5 404	5 010		
Councillors' pension contribution	685	682	682	764		
Travelling expenses	3 232	3 352	3 352	3 393		
Cell phone expenses	684	701	701	716		
Councillors' contribution to medical aid	108	126	126	161		
Sub Total - Councillors	13 868	15 318	15 318	14 568		
% increase/ (decrease)	-	10.76	0	-4.9		
Senior Managers of the Municipality						
Annual Remuneration	3 046	7 700	7 700	8 273		
Acting Allowance	1 446					
Car Allowance	511					
Settlement Payment	0					
Bonus & Long Service Bonus	0					
Performance Bonus	533	1 155	1 155	136		
Contribution to UIF, Medical & Pension	595					
Housing Subsidy	0					
Telephone Allowance	0					
Leave Pay-Out	0					
Sub Total - Senior Managers of Municipality	6 131	8 855	8 855	8 409		
% increase/ (decrease)	-	44.4	0	-5.0		
Other Municipal Staff						
Basic Salaries and Wages(Excluding Senior Managers)	146 327	166,892	166,203	155,744		
Long – service awards	1 383	940	940	863		
Pension Contributions	22 385	23,664	23,664	22,394		
Medical Aid Contributions	9 840	13,806	13,806	9,468		
Motor vehicle allowance	13 391	8,725	9,004	9,654		



Financial year	2011/12	2012/13		
Description	Actual	Original Budget	Adjusted Budget	Actual
	R'000			
Cell phone allowance	0	0	0	0
Housing allowance	1 328	1,129	1,129	1,116
Overtime	16 666	10,663	13,782	14,909
Employee benefit obligations	18 919	0	0	16,648
Other benefits or allowances	12 512	25,812	26062	29082
Sub Total - Other Municipal Staff	242 748	251,631	254,590	259,878
% increase/ (decrease)		3.7	1.2	2.1
Total Municipality	262 748	260,486	263,445	268,287
% increase/ (decrease)	-	-0.9	1.1	1.8

 Table 205:
 Personnel Expenditure





# Chapter 5: Financial Performance

# Component A: Statements of Financial Performance

The Statement of financial performance provides an overview of the financial performance of the municipality and focuses on the financial health of the municipality.

### 5.1 Financial Summary

#### 5.1.1 Financial Performance

The table below indicates the summary of the financial performance for the 2012/13 financial year:

	2011/12		2012/13		2012/13 V	ariance
Description	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust- ments Budget
		R'0		%		
	<u>Fin</u>	ancial Perform	<u>mance</u>			
Property rates	127 788	144 001	144 261	143 438	-0.39	-0.57
Service charges	527 786	588 127	587 619	587 205	-0.16	-0.07
Investment revenue	18 288	16 516	17 148	17 425	5.21	1.59
Transfers recognised - operational	153 465	156 843	169 026	149 611	-4.83	-12.98
Other own revenue	43 438	44 449	47 573	46 480	4.37	-2.35
Total Revenue (excluding capital transfers and contributions)	870 766	949 936	965 626	944 159	-0.61	-2.27
Employee costs	248 883	260 486	263 445	269 126	3.21	2.11
Remuneration of councillors	13 868	15 472	15 472	14 568	-6.21	-6.21
Depreciation & asset impairment	105 360	101 989	107 934	106 154	3.92	-1.68
Finance charges	57 217	54 028	54 416	55 451	2.56	1.87
Materials and bulk purchases	244 543	280 240	282 290	276 826	-1.23	-1.97
Transfers and grants	1 188	2 011	1 639	1 520	-32.27	-7.82
Other expenditure	266 940	269 065	294 061	281 625	4.46	-4.42
Total Expenditure	937 999	983 290	1 019 256	1 005 269	2.19	-1.39
Surplus/(Deficit)	(67 233)	(33 354)	(53 630)	(61 109)	45.42	12.24
Transfers recognised - capital	50 064	86 438	109 634	82 905	-4.26	-32.24
Contributions recognised - capital & contributed assets	12 149	6 246	8 746	9 313	32.94	6.10
Surplus/(Deficit) after capital transfers & contributions	(5 019)	59 329	64 749	31 109	-90.71	-108.14
	Capital ex	penditure & f	unds sources			
	С	apital expend	iture			



	2011/12		2012/13		2012/13 V	ariance
Description	Actual (Audited Outcome)	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust- ments Budget
		R'(	%	%		
Transfers recognised - capital	50 035	91 446	105 575	82 905	-10.30	-27.34
Public contributions & donations	29	0	0	0	0.00	0.00
Borrowing	20 291	11 350	5 350	0	0.00	0.00
Internally generated funds	39 340	48 126	42 449	36 306	-32.55	-16.92
Total sources of capital funds	109 695	150 922	153 373	119 211	-26.60	-28.66
		Financial posi	tion			
Total current assets	53 072	671 339	544 746	574 023	-16.95	5.10
Total non-current assets	2 480 809	2 068 442	2 125 424	2 494 455	17.08	14.79
Total current liabilities	210 485	174 534	174 034	265 198	34.19	34.38
Total non-current liabilities	609 802	557 117	552 317	580 935	4.10	4.93
Community wealth/Equity	2 191 236	2 008 129	1 943 818	2 222 345	9.64	12.53
		Cash flows	<u> </u>			
Net cash from (used) operating	126 537	175 073	111 505	200 011	12.47	44.25
Net cash from (used) investing	(109 606)	(138 063)	(149 373)	(118 191)	-16.81	-26.38
Net cash from (used) financing	(30 526)	(19 925)	(25 225)	(33 843)	41.13	25.47
Cash/cash equivalents at the year end	218 901	235 986	155 808	266 877	11.58	41.62
	Cash bac	king/surplus 1	reconciliation			
Cash and investments available	218 901	282 401	155 808	266 781	-5.85	41.60
Application of cash and investments	(218 901)	(90 830)	(92 745)	(266 781)	65.95	65.24
Balance - surplus (shortfall)	0	191 571	63 063	0	0.00	0.00
	<u>i</u>	Asset manager	<u>nent</u>			
Asset register summary (WDV)	2 323 755	2 067 590	2 124 572	2 335 026	11.45	9.01
Depreciation & asset impairment	105 360	101 989	107 934	106 154	3.92	-1.68
Renewal of Existing Assets	17 246	27 045	26 565	24 494	-10.41	-8.45
Repairs and Maintenance	52 814	64 618	65 650	63 725	-1.40	-3.02

Table 206:

Financial Performance 2012/13



The table below shows a summary of performance against budgets:

Revenue			Operating expenditure					
Financial Year	Budget	Actual	Diff.	%	Budget	Actual	Diff.	07
rcar		R'000		90	R'000			%
2011/12	1 014 446	932 980	(81 466)	-8	994 091	937 999	56 092	0
2012/13	1 084 006	1 036 378	(47 628)	-4	1 019 256	1 005 269	13 988	1

Table 207:

Performance against budgets

#### 5.1.2 Revenue collection by vote

The table below indicates the Revenue collection performance by vote

	2011/12		2012/13		2012/13 Variance		
Vote Description	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjust- ments Budget	
		R'000 %					
Vote 1 - Office of the Municipal Manager	2 564	293	433	456	35.69	5.12	
Vote 2 - Corporate Services	2 388	2 584	2 987	3 617	28.56	17.43	
Vote 3 - Community Services	89 494	99 217	101 221	97 357	-1.91	-3.97	
Vote 4 - Human Settlements, Land Affairs & Planning	78 251	29 495	50 710	47 920	38.45	-5.82	
Vote 5 - Civil Engineering Services	217 781	311 326	318 886	283 331	-9.88	-12.55	
Vote 6 - Electro-technical Services	387 486	431 605	437 026	431 944	0.08	-1.18	
Vote 7 - Financial Services	155 016	168 098	172 743	171 752	2.13	-0.58	
Total Revenue by Vote	932 980	1 042 619	1 084 006	1 036 378	-0.60	-4.60	

Table 208:

Revenue by Vote

### 5.1.3 Revenue collection by Source

The table below indicates the Revenue collection performance by source for the 2012/13 financial year:

	2011/12		2012/13		2012/13 Variance	
Description	Actual	Original Budget	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget
		R'00	%			
Property rates	127 788	144 001	144 261	143 438	-0.39	-0.57
Property rates - penalties & collection charges	1 218	1 521	5 121	3 845	60.44	-33.18
Service Charges - electricity revenue	373 785	416 871	417 170	413 336	-0.86	-0.93
Service Charges - water revenue	66 393	73 742	81 323	81 477	9.49	0.19
Service Charges - sanitation revenue	52 176	58 230	52 467	54 625	-6.60	3.95
Service Charges - refuse revenue	35 101	38 932	36 307	37 420	-4.04	2.97



	2011/12		2012/13		2012/13 Variance		
Description	Actual	Original Budget	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget	
		R'00		%			
Service Charges - other	331	352	352	347	-1.46	-1.46	
Rentals of facilities and equipment	2 103	2 023	1 916	1 991	-1.60	3.75	
Interest earned - external investments	14 715	12 455	13 087	13 781	9.62	5.04	
Interest earned - outstanding debtors	3 573	4 061	4 061	3 644	-11.45	-11.45	
Dividends received	0	0	0	0	0.00	0.00	
Fines	15 057	17 248	17 563	15 576	-10.73	-12.75	
Licences and permits	2 451	2 315	2 315	2 508	7.68	7.68	
Agency services	5 751	6 182	6 182	6 291	1.73	1.73	
Transfers recognised - operational	153 465	156 843	169 026	149 611	-4.83	-12.98	
Other revenue	16 859	15 161	14 476	15 974	5.09	9.38	
Gains on disposal of PPE	0	0	0	296	100.00	100.00	
Total Revenue (excluding capital transfers and contributions)	870 766	949 936	965 626	944 159	-0.61	-2.27	

Table 209:

Revenue by Source

### 5.1.4 Operational Services Performance

The table below indicates the Operational services performance for the 2012/13 financial year:

	2011/12		2012/13		2012/13 Variance	
Description	Actual	Original Budget	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget
		R'000		%		
	<u>Operati</u>	ing Cost				
Water	28 310	51 853	61 939	32 847	-57.86	-88.56
Waste Water (Sanitation)	27 313	48 936	44 766	38 994	-25.50	-14.80
Electricity	84 253	62 900	61 807	72 373	13.09	14.60
Waste Management	15 888	17 937	13 871	9 735	-84.26	-42.48
Housing	(9 339)	(15 035)	(18 481)	(11 701)	-28.49	-57.94
Component A: sub-total	146 425	166 591	163 901	142 248	-17.11	-15.22
Roads & Stormwater	(86 144)	(74 257)	(74 119)	(77 467)	4.14	4.32
Transport	3 515	3 152	3 223	4 305	26.78	25.13
Component B: sub-total	(82 628)	(71 105)	(70 896)	(73 162)	2.81	3.10
Planning	(6 455)	(8 235)	(7 304)	(6 895)	-19.43	-5.92
Local Economic Development	(4 606)	(5 299)	(5 533)	(5 367)	1.26	-3.10
Component C: sub-total	(11 061)	(13 535)	(12 837)	(12 262)	-10.38	-4.68



	2011/12		2012/13		2012/13 Variance	
Description	Actual	Original Budget	- monts		Original Budget	Adjust- ments Budget
		R'000			9,	6
Libraries	(5 970)	(6 024)	(5 614)	(5 585)	-7.85	-0.51
Cemeteries	(1 734)	(1 784)	(1 484)	(982)	-81.62	-51.09
Social services & community development	(8 557)	(7 806)	(8 177)	(7 772)	-0.43	-5.21
Component D: sub-total	(16 261)	(15 614)	(15 275)	(14 340)	-8.88	-6.52
Environmental Protection	(3 794)	(3 738)	(3 774)	(3 897)	4.09	3.17
Component E: sub-total	(3 794)	(3 738)	(3 774)	(3 897)	4.09	3.17
Traffic & licensing	(13 568)	(13 674)	(13 926)	(14 525)	5.86	4.13
Fire Serices	(10 722)	(10 446)	(10 695)	(10 199)	-2.42	-4.86
Component F: sub-total	(24 290)	(24 120)	(24 621)	(24 724)	2.45	0.42
Holiday Resorts and Campsites	(157)	(102)	(102)	(113)	9.82	9.57
Swimming Pools, Stadiums and Sport Ground	(15 313)	(13 490)	(9 835)	(11 926)	-13.11	17.53
Community halls, facilities, Thusong centres	(9 810)	(8 416)	(8 823)	(7 882)	-6.78	-11.94
Component G: sub-total	(25 280)	(22 007)	(18 760)	(19 920)	-10.48	5.83
Financial Services	91 571	111 802	115 007	114 477	2.34	-0.46
Corporate Offices	(79 701)	(68 946)	(67 997)	(77 310)	10.82	12.05
Component H: sub-total	11 870	42 856	47 010	37 168	-15.30	-26.48
Total Expenditure	(5 019)	59 329	64 749	31 109	-90.71	-108.14
In this table operational income is offset agaist	operational expen	diture leaving a ne	et operational	expenditure t	otal for each s	ervice

 Table 210:
 Operational Services Performance



# 5.2 Financial Performance per Municipal Function

#### 5.2.1 Water Services

		2011/12		2012/13		
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	111 534	137 301	146 549	133 185	-3.09	
E	xpenditure:					
Employees	23 349	27 414	27 424	26 048	-5.24	
Repairs and Maintenance	4 885	9 298	7 557	7 615	-22.09	
Other	54 990	48 737	49 630	66 675	26.90	
Total Operational Expenditure	83 224	85 449	84 610	100 338	14.84	
Net Operational (Service)	28 310	51 853	61 939	32 847	-57.86	

 Table 211:
 Financial Performance: Water services

#### 5.2.2 Sanitation Services

		2011/12		2012/13	
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget
		R'000		%	
Total Operational Revenue	97 037	110 569	113 008	111 932	1.22
E	xpenditure:				
Employees	16 741	19 170	19 406	18 676	-2.64
Repairs and Maintenance	14 453	14 305	18 503	18 817	23.98
Other	38 529	28 158	30 333	35 445	20.56
Total Operational Expenditure	69 724	61 632	68 242	72 938	15.50
Net Operational (Service)	27 313	48 936	44 766	38 994	-25.50

Table 212: Financial Performance: Sanitation services



### 5.2.3 Electricity Services

		2011/12		2012/13		
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	387 424	431 605	437 026	431 925	0.07	
E	xpenditure:					
Employees	28 542	33 248	33 514	31 909	-4.20	
Repairs and Maintenance	4 122	7 621	5 803	4 845	-57.28	
Other	270 506	327 837	335 902	322 798	-1.56	
Total Operational Expenditure	303 170	368 705	375 219	359 552	-2.55	
Net Operational (Service)	84 253	62 900	61 807	72 373	13.09	

Table 213: Financial Performance: Electricity services

### 5.2.4 Waste Management Services (Refuse collections, Waste disposal, Street cleaning and Recycling)

		2011/12	2012/13			
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	58 344	61 661	57 985	58 704	-5.04	
E	xpenditure:					
Employees	14 489	15 849	15 849	16 008	1.00	
Repairs and Maintenance	1 872	1 900	1 818	1 774	-7.14	
Other	26 094	25 974	26 448	31 188	16.72	
Total Operational Expenditure	42 455	43 723	44 114	48 969	10.71	
Net Operational (Service)	15 888	17 937	13 871	9 735	-84.26	

 Table 214:
 Financial Performance: Waste Management Services (Refuse collections, Waste disposal, Street cleaning and Recycling)

# 5.2.5 Housing

		2011/12	2012/13			
Description	Actual	Original Budget	ment		Variance to Budget	
		R'000		%		
Total Operational Revenue	71 531	26 476	44 778	44 755	40.84	
E	xpenditure:					
Employees	9 179	9 097	9 957	11 040	17.61	
Repairs and Maintenance	1 130	1 378	1 503	1 178	-16.96	
Other	70 561	31 036	51 800	44 238	29.84	
Total Operational Expenditure	80 870	41 511	63 259	56 457	26.47	
Net Operational (Service)	(9 339)	(15 035)	(18 481)	(11 701)	-28.49	

Table 215: Financial Performance: Housing

#### 5.2.6 Roads and Stormwater

		2011/12	2012/13			
		2011/12	2012/13			
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	8 962	53 456	57 329	36 461	-46.61	
E	xpenditure:					
Employees	12 381	14 327	14 627	15 649	8.45	
Repairs and Maintenance	18 785	21 124	21 475	21 390	1.24	
Other	63 939	92 262	95 347	76 890	-19.99	
Total Operational Expenditure	95 106	127 713	131 448	113 928	-12.10	
Net Operational (Service)	(86 144)	(74 257)	(74 119)	(77 467)	4.14	

 Table 216:
 Financial Performance: Roads Services



# 5.2.7 Planning

		2011/12		2012/13			
Description	Actual	Original Budget	ment		Budget ment Actua		Variance to Budget
		R'000		%			
Total Operational Revenue	4 022	3 008	3 584	4 035	25.45		
E	xpenditure:						
Employees	8 158	8 785	9 131	9 241	4.94		
Repairs and Maintenance	12	28	43	21	-37.07		
Other	2 306	2 431	1 714	1 669	-45.63		
Total Operational Expenditure	10 476	11 244	10 888	10 931	-2.86		
Net Operational (Service)	(6 455)	(8 235)	(7 304)	(6 895)	-19.43		

Table 217: Financial Performance: Planning

## 5.2.8 Community Development

		2011/12	2012	2/13	
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget
		R'000	%		
Total Operational Revenue	88 960		1 074	938	-2.28
E	xpenditure:				
Employees	5 639	5 541	5 597	5 619	1.40
Repairs and Maintenance	41	60	62	32	-88.38
Other	2 965	3 165	3 592	3 060	-3.44
Total Operational Expenditure	8 645	8 765	9 251	8 711	-0.63
Net Operational (Service)	(8 557)	(7 806)	(8 177)	(7 772)	-0.43

Table 218: Financial Performance: Community Development

# 5.2.9 Sport and Recreation

		2011/12	2012/13		
Description	Actual	Original Adjust- ment Budget Budget		Actual	Variance to Budget
		R'000	%		
Total Operational Revenue	2 950	5 895	10 406	8 087	27.11
E	xpenditure:				
Employees	4 737	4 784	4 784	4 678	-2.27
Repairs and Maintenance	1 798	2 239	2 303	2 072	-8.04
Other	11 885	12 463	13 257	13 376	6.82
Total Operational Expenditure	18 419	19 486	20 343	20 126	3.18
Net Operational (Service)	(15 469)	(13 591)	(9 937)	(12 038)	-12.90

Table 219: Financial Performance: Sport and Recreation

#### 5.2.10 Libraries

		2011/12	2012	2/13		
Description	Actual Original Budget		Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	1 310	2 099	2 287	1 888	-11.19	
E	xpenditure:					
Employees	6 525	7 191	7 191	6 978	-3.05	
Repairs and Maintenance	137	237	233	166	-42.84	
Other	618	695	477	329	-111.04	
Total Operational Expenditure	7 280	8 123	7 901	7 473	-8.69	
Net Operational (Service)	(5 970)	(6 024)	(5 614)	(5 585)	-7.85	

 Table 220:
 Financial Performance: Libraries



#### 5.2.11 Traffic Services and Law Enforcement

		2011/12	2012	2/13		
Description	Actual Ori		Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	17 725	18 408	19 274	16 956	-8.56	
E	xpenditure:					
Employees	20 425	21 728	22 102	21 198	-2.50	
Repairs and Maintenance	1 545	1 626	1 738	1 740	6.55	
Other	9 323	8 728	9 360	8 543	-2.16	
Total Operational Expenditure	31 293	32 082	33 200	31 481	-1.91	
Net Operational (Service)	(13 568)	(13 674)	(13 926)	(14 525)	5.86	

 Table 221:
 Financial Performance: Traffic services and Law Enforcement

### 5.2.12 Fire and Disaster Management

		2011/12	2012/13			
Description	Actual	Original Budget	Adjust- ment Budget	Actual	Variance to Budget	
		R'000		%		
Total Operational Revenue	532	1 284	1 284	1 174	-9.30	
E	xpenditure:					
Employees	8 245	8 054	8 053	8 100	0.57	
Repairs and Maintenance	442	380	513	411	7.47	
Other	2 568	3 296	3 413	2 863	-15.14	
Total Operational Expenditure	11 255	11 729	11 978	11 373	-3.13	
Net Operational (Service)	(10 722)	(10 446)	(10 695)	(10 199)	-2.42	

Table 222: Financial Performance: Fire and disaster Management

# 5.2.13 Corporate Services

		2011/12	2012/13		
Description	Actual Original Budget		Adjust- ment Budget	Actual	Variance to Budget
		R'000		9/	6
Total Operational Revenue	11 531	3 978	6 548	7 459	46.67
E	xpenditure:				
Employees	48 754	38 389	38 446	44 999	14.69
Repairs and Maintenance	1 574	2 109	2 051	1 750	-20.50
Other	40 903	32 426	34 047	38 019	14.71
Total Operational Expenditure	91 232	72 924	74 544	84 768	13.97
Net Operational (Service)	(79 701)	(68 946)	(67 997)	(77 310)	10.82

Table 223: Financial Performance: Corporate Services

#### 5.2.14 Financial Services

		2011/12			2/13
Description	Actual	Original Budget	- ment		Variance to Budget
		R'000	%		
Total Operational Revenue	150 207	166 986	171 631	166 872	-0.07
E	xpenditure:				
Employees	27 052	31 255	31 408	32 120	2.69
Repairs and Maintenance	1 200	1 321	1 468	1 444	8.49
Other	30 384	22 608	23 747	18 831	-20.06
Total Operational Expenditure	58 636	55 184	56 624	52 394	-5.32
Net Operational (Service)	91 571	111 802	115 007	114 477	2.34

Table 224: Financial Performance: Financial Services



### 5.3 Grants

#### 5.3.1 Grant Performance

The table below indicates the Grant performance for the 2012/13 financial year:

The Municipality had a total amount of **R185,826 million** for operational expenditure available that was received in the form of grants from the National and Provincial Governments during the 2012/13 financial year. The performance in the spending of these grants is summarised as follows:

	2011/12		2012/13		2012/13	Variance
Description	Actual	Budget	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget
		R'(	000		9/	6
<u>Operating</u>	Transfers a	nd Grants				
National Government:	82 227	88 975	90 829	90 568	1.76	-0.29
Equitable share	72 201	80 370	80 370	80 370	0.00	0.00
Municipal Systems Improvement	1 227	800	800	800	0.00	0.00
Infrastructure Skills Development	0	3 000	3 000	2 739	-9.52	-9.52
Expanded Public Works Programme	933	1 353	2 990	2 990	54.75	0.00
EPWP: Pointduty	0	0	217	217	100.00	0.00
MIG - Project Management Unit	1 670	2 202	2 202	2 202	0.00	0.00
Electricity Demand Side Grant	3 520	0	0	0	0.00	0.00
Finance Management Grant	2 676	1 250	1 250	1 250	0.00	0.00
Provincial Government:	68 323	45 292	78 314	52 858	14.31	-48.16
Housing	65 873	19 955	43 047	39 217	49.12	-9.77
Proclaimed roads	175	13 415	15 415	10 332	-29.84	-49.19
Local Government Masterplanning Grant	0	396	396	396	0.00	0.00
Community Development Workers Operating Grant	122	162	246	74	-118.22	-231.38
Library Grant	1 131	1 364	1 397	1 385	1.54	-0.84
Spatial Development Framework	262	0	0	0	0.00	0.00
Flood Damage - Housing	515	0	0	0	0.00	0.00
Greenest Town Competition	60	0	95	64	100.00	-47.82
Integrated Pubic Transport Grant	0	10 000	17 248	920	-987.54	-1775.79
Financial Management Support Grant	39	0	361	361	100.00	0.00
Thusong Services Centre Grant	0	0	109	109	100.00	0.00
Swimming Pool Grant - Heather Park	147	0	0	0	0.00	0.00
Other grant providers:	3 688	16 402	16 684	8 515	-92.63	-95.94
Seta	1 292	500	500	1 083	53.83	53.83
Storm Water Master Planning (DBSA)	197	0	0	0	0.00	0.00



	2011/12 2012/13					Variance
Description	Actual	Budget	Adjust- ments Budget	Actual	Original Budget	Adjust- ments Budget
		R'(	000		9/	6
Working for Water - DWAF	2 199	2 880	2 880	3 130	7.98	7.98
Khulani Women's Project	0	0	80	80	100.00	0.00
Refuse Transfer Station	0	0	202	202	100.00	0.00
SANRALL - N2/York Street bridge widening	0	13 022	13 022	4 020	-223.92	-223.92
Total Operating Transfers and Grants	154 239	150 669	185 826	151 941	0.84	-22.30

Table 225:

Grant Performance for 2012/13

#### 5.3.2 Level of Reliance on Grants & Subsidies

Financial year	Total grants and subsidies received	Total Operating Revenue	Percentage
	R'(	000	%
2011/12	203 529	932 980	21.81
2012/13	232 516	1 036 004	22.44

Table 226:

Reliance on grants

#### 5.4 Asset Management

Asset management is practiced within the organisation based on a comprehensive asset management policy. The Asset Management Policy provides direction for the management, accounting and control of Property, Plant & Equipment (Assets) owned or controlled by the municipality to ensure the following:

- Implementation of the approved Asset Management Policy as required in terms of section 63 of the Municipal Finance Management Act (MFMA).
- Verify assets in possession of the Council annually, during the course of the financial year.
- Keep a complete and balanced record of all assets in possession of the Council.
- Report in writing all asset losses, where applicable, to Council. Those assets are valued and accounted for in accordance with a statement of GRAP.
- Those assets are properly maintained and safeguarded.

The roles of the following are clearly defined within the asset management policy:

- Municipal Manager
- Chief Finance Officer
- ♦ Asset control section
- Manager budget section
- Manager Expenditure section

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- Procurement section
- All other departments

Asset Management is performed in line with the Asset Management Policy as described above.

The control and safeguarding of assets remain the responsibility of each department. Each department needs to budget for the necessary maintenance of the assets under their control in order for the assets to achieve their economic life spans.

#### 5.4.1 Repairs and Maintenance

			2012	2/13	
Description	2011/12	Original Budget	Adjustment Budget	Actual	Budget variance
			R'000		%
Repairs and Maintenance Expenditure	52 814	64 618	65 650	63 725	-2.93

Table 227:

Repairs & Maintenance Expenditure

# 5.5 Financial Ratios Based on Key Performance Indicators

#### 5.5.1 Liquidity Ratio

		2011/12	2012/13
Description	Basis of calculation	Pre-audit outcome	Audited outcome
Current Ratio	Current assets/current liabilities	2.52	2.16
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	2.32	1.93
Liquidity Ratio	Monetary Assets/Current Liabilities	1.04	1.01

Table 228:

**Liquidity Financial Ratio** 

#### 5.5.2 IDP Regulation Financial Viability Indicators

		2011/12	2012/13
Description	n Basis of calculation		Audited outcome
Cost Coverage	(Available cash + Investments)/monthly fixed operational expenditure	4.52 times	5.05 times
Total Outstanding Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	13%	10%



Description	Basis of calculation	2011/12  Pre-audit outcome	2012/13  Audited outcome
Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	3.46	3.03

Table 229:

Financial Viability National KPAs

### 5.5.3 Creditors Management

Description	Basis of calculation	2011/12 Pre-audit outcome	2012/13  Audited outcome	
Creditors System Efficiency	% of Creditors Paid Within Terms (within `MFMA' s 65(e))	100 %	100%	

Table 230:

**Creditors Management** 

### 5.5.4 Borrowing Management

		2011/12	2012/13
Description	Basis of calculation	Pre-audit outcome	Audited outcome
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	9%	9%

Table 231:

**Borrowing Management** 

### 5.5.5 Employee costs

Description	Basis of calculation	2011/12  Pre-audit outcome	2012/13  Audited outcome	
Employee costs	Employee costs/(Total Revenue - capital revenue)	28%	28%	

Table 232:

**Employee Costs** 



# 5.5.6 Repairs & Maintenance

		2011/12	2012/13	
	Description	Basis of calculation	Pre-audit outcome	Audited outcome
	Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	6%	7%

Table 233:

Repairs and Maintenance

# Component B: Spending Against Capital Budget

# 5.6 Capital Expenditure

# 5.6.1 Capital Expenditure by new assets programme

	2011/12		2012/13		Planned Capital expend		nditure
Description	Actual	Original Budget	Adjust- ment Budget	Actual Expendi- ture	2013/14	2014/15	2015/16
			R'000				
	<u>C</u>	apital expend	liture by Ass	et Class			
Infrastructure - Total	98 852	122 462	128 402	96 791	142 509	118 340	121 687
Infrastructure: Road transport - Total	11 721	22 448	23 854	31 055	61 945	36 463	29 279
Roads, Pavements & Bridges	8 739	21 571	22 977	29 342	60 763	36 413	29 279
Storm water	2 982	877	877	1 712	1 182	50	-
Infrastructure: Electricity - Total	34 560	27 329	24 059	17 835	20 406	30 740	26 806
Generation	0	0	0	0	0	0	0
Transmission & Reticulation	34 153	26 069	23 574	17 685	19 106	28 740	24 806
Street Lighting	406	1 260	485	151	1 300	2 000	2 000
Infrastructure: Water - Total	18 013	32 324	35 373	23 895	19 318	14 101	24 111
Dams & Reservoirs	53	12 810	75	81	10 092	1 600	10 000
Water purification	0	0	0	0	0	0	0
Reticulation	17 959	19 514	35 298	23 814	9 226	12 501	14 111
Infrastructure: Sanitation - Total	32 161	30 961	38 355	24 497	40 540	37 036	41 491
Reticulation	22 574	20 236	38 355	8 333	33 951	32 129	26 365
Sewerage purification	9 588	10 725	0	16 164	6 589	4 907	15 126
Infrastructure: Other - Total	2 397	9 400	6 760	(491)	300	1	-
Waste Management	0	0	0	0	0	0	0



	2011/12		2012/13		Planned	Capital expe	enditure
Description	Actual	Original Budget	Adjust- ment Budget	Actual Expendi- ture	2013/14	2014/15	2015/16
			R'000				
Transportation	2 397	9 400	6 760	(491)	300	0	0
Gas	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Community - Total	6 263	7 525	11 643	8 873	65 095	72 880	70 499
Parks & gardens	0	100	146	0	0	100	0
Sports fields& stadia	453	2 700	7 196	4 350	8 550	4 140	3 000
Swimming pools	147	0	0	0	0	10	0
Community halls	1 212	175	60	55	0	0	0
Libraries	0	0	0	0	0	3 300	2 000
Recreational facilities	0	0	40	317	0	100	0
Fire, safety & emergency	0	0	0	228	0	0	0
Security and policing	2 333	1 050	3 810	3 540	2 385	2 210	0
Buses	0	0	0	0	46 610	50 950	55 689
Clinics	0	0	0	0	0	0	0
Museums & Art Galleries	0	0	0	0	0	0	0
Cemeteries	0	0	0	0	0	0	0
Social rental housing	0	0	0	0	0	0	0
Other	2 117	3 500	391	383	7 550	10 330	11 810
Capital expenditure by Asset Class	4 581	20 935	13 729	13 548	43 420	23 954	22 145
Heritage assets - Total	0	0	0	0	250	0	0
Buildings	0	0	0	0	250	0	0
Other	0	0	0	0	0	0	0
Investment properties - Total	0	0	0	0	0	8 500	6 000
Housing development	0	0	0	0	0	0	0
Other	0	0	0	0	0	8 500	6 000
Other assets	4 387	20 913	13 729	13 548	32 290	15 144	16 115
General vehicles	232	9 400	6 412	815	9 520	950	1 100
Specialised vehicles	0	1 000	0	0	8 100	1 300	1 500
Plant & equipment	3 695	6 484	2 740	9 109	9 830	8 234	4 760
Computers - hardware/equipment	161	569	661	822	3 540	540	405
Furniture and other office equipment	268	560	1 047	558	1 100	570	150
Abattoirs	0	0	0	0	0	0	0
Markets	0	0	0	0	0	0	0



	2011/12		2012/13		Planned	nditure	
Description	Actual	Original Budget	Adjust- ment Budget	Actual Expendi- ture	2013/14	2014/15	2015/16
			R'000				
Civic Land and Buildings	0	350	2 216	1 767	200	500	500
Other Buildings	0	650	490	482	0	0	0
Other Land	18	0	0	0	0	0	0
Surplus Assets - (Investment or Inventory)	0	0	0	0	0	0	0
Other	14	1 900	164	(5)	0	3 050	7 700
Agricultural assets	0	0	0	0	0	0	0
List sub-class	0	0	0	0	0	0	0
Biological assets	0	0	0	0	0	0	0
List sub-class	0	0	0	0	0	0	0
Intangibles	193	22	0	0	10 880	310	30
Computers - software & programming	193	22	0	0	10 880	310	30
Other (list sub-class)	0	0	0	0	0	0	0
Total Capital Expenditure on new assets	109 695	150 922	153 773	119 211	251 024	215 174	214 331
Specialised vehicles	0	1 000	0	0	8 100	1 300	1 500
Refuse	0	1 000	0	0	8 100	1 300	1 500
Fire	0	0	0	0	0	0	0
Conservancy	0	0	0	0	0	0	0

Table 234:

Capital Expenditure – New Assets Programme

## 5.7 Sources of Finance

### 5.7.1 Capital Expenditure by Funding Source

The table below indicates the capital expenditure by funding source for the 2012/13 financial year:

	2011/12	2012/13					
Details	Actual	Original Budget (OB)	Adjust- ment Budget	Actual	Adjust- ment to OB Variance	Actual to OB Variance	
	:	Source of fina	nce				
Description		R'(	000			%	
External loans	20 291	11 350	5 350	0	-52.86	-47.14	
Public contributions and donations	29	0	0.00	0.00			
Grants and subsidies	50 035	91 446	105 882	82 905	15.79	-25.13	



	2011/12			2012/13		
Details	Actual	Original Budget (OB)	Adjust- ment Budget	Actual	Adjust- ment to OB Variance	Actual to OB Variance
Own funding	39 340	48 126	42 541	36 306	-11.60	-12.96
Total	109 695	150 922	153 773	119 211	1.89	-22.90
	Pe	rcentage of fin	ance			
External loans	18	8	3	0	-53.74	-46.26
Public contributions and donations	0	0	0	0	0.00	0.00
Grants and subsidies	46	61	69	70	13.64	1.14
Own funding	36	32	28	30	-13.24	8.75
	C	apital expend	iture			
Water and sanitation	50 174	63 285	73 728	48 391	16.50	-40.04
Electricity	34 560	27 329	24 059	17 835	-11.96	-22.77
Housing	1 141	4 085	993	897	-75.69	-2.36
Roads and storm water	11 721	22 448	23 854	31 055	6.27	32.08
Other	12 099	33 775	31 139	21 033	-7.80	-29.92
Total	109 695	150 922	153 773	119 211	1.89	-22.90
	Perc	entage of expe	nditure			
Water and sanitation	46	42	48	41	14.34	-17.53
Electricity	32	18	16	15	-13.60	-3.78
Housing	1	3	1	1	-76.14	3.94
Roads and storm water	11	15	16	26	4.29	70.85
Other	11	22	20	18	-9.51	-11.65

Table 235:

Capital Expenditure by Funding Source



# 5.8 Capital Spending on 5 Largest Projects

Projects with the highest capital expenditure in 2012/13

	Cui	rrent Year: 2012	Variance Current Year: 2012/13			
Name of Project	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance	Adjustment variance	
	R'000			%		
Thembalethu bulk water pipeline	0	21 760	19 643	0.00	-9.7	
Thembalethu UISP - civil services	20 000	20 240	11 355	-43.2	-43.9	
Uniondale WWTW upgrade	10 725	12 761	11 992	11.8	-6.0	
Outeniqua/gwaing sludge handling	7 000	7 739	7 730	10.4	-0.1	
George western water supply pipeline	13 060	9 407	*6 455	-50.6	-31.4	

<sup>\*</sup>The actual expenditure indicated (R6,455 million) reflects an under expenditure of R3 million. This is an incorrect reflection as the project was in fact overspent by R3 million in 2011/12 which was paid from other funds. The over expenditure was thus corrected in 2012/13

#### Table 236: Capital Expenditure on the 5 Largest Projects

Name of Project - A	Thembalethu bulk water pipeline
Objective of Project	Provide bulk water for UISP housing projects
Delays	Rain
Future Challenges	Expansion of raw water supply and purification
Anticipated citizen benefits	22 200

#### Table 237: Summary of Project A

Name of Project - B	Thembalethu UISP - civil services				
Objective of Project	Provide internal civil services for uisp housing projects				
Delays	Contractor experienced financial difficulty and all activity on site came to halt.Material assitance provided by George Municipality to prevent closure of company and subsequent local permanent job losses. This caused considerable delays and subsequently considerable underspending particularly sewer and roads infrastructure.				
Future Challenges	Making up for lost time and completing project within reasonable timeframe. Assisting contractor to regain financial stability. Expansion of bulk sewer services to accomodate low cost housing development.				
Anticipated citizen benefits	22 200				

#### Table 238: Summary of Project B

Name of Project - C Uniondale WWTW upgrade		
Objective of Project	Provide effluent treatment for housing project	
Delays	Labour unrest, rain	
Future Challenges	Delays toward housing project funding	
Anticipated citizen benefits	9 914	

Table 239: Summary of Project C



Name of Project - D	Outeniqua/Gwaing sludge handling
Objective of Project	Beltpress to treat outeniqua WWTW sludge
Delays	None
Future Challenges	Sourcing of funding to upgrade waste water treatment plants to accomodate growth and development.
Anticipated citizen benefits	84 322

Table 240: Summary of Project D

Name of Project - E	George western water supply pipeline
Objective of Project	Bulk water supply to housing projects
Delays	Rain delays. Inadequate funding provision on 2011/12 budget. R3million in outstanding contractor payment paid from other funding in 2011/12 and recouped from grant funds allocated on 2012/13 budget. The result is that the project reflects an underspending in 2012/13 which is not a true reflection of the budget spending overall.
Future Challenges	Upgrading expences to treatment plants
Anticipated citizen benefits	53 262

Table 241: Summary of Project E

#### 5.9 Basic Service and Infrastructure

### 5.9.1 Municipal Infrastructure Grant (MIG)

The full MIG budget allocation for the 12/13 financial year was **R44,044 million**. The actual expenditure for the MIG allocation was 100% spend.

		T di		Variance	
Details	Budget Adjustments Budget		Actual	Budget	Adjustments Budget
		R	%		
Infrastructure - Water	15 672 014	14 722 494	14 722 494	-6.45	0.00
Reticulation	15 672 014	14 722 494	14 722 494	-6.45	0.00
Infrastructure - Sanitation	25 971 984	27 419 074	27 419 074	5.28	0.00
Reticulation	3 840 003	6 139 014	6 139 014	37.45	0.00
Sewerage purification	22 131 980	21 280 060	21 280 060	-4.00	0.00
Other Specify: Recreational facilities	2 400 002	1 902 432	1 902 432	-26.15	0.00
Outdoor Sport facilities	2 400 002	1 902 432	1 902 432	-26.15	0.00
Total	44 044 000	44 044 000	44 044 000	0.00	0.00

Table 242: Municipal Infrastructure Grant (MIG)



# Component C: Cash Flow Management and Investments

# 5.10 Cash Flow

	2011/12		2012/13					
Description	Actual	Original Budget	Adjusted Budget	Actual				
	R'000							
Cash flow from operating activities								
	Receipts							
Ratepayers and other	673 920	801 554	789 323	758 695				
Government - operating	164 294	135 322	139 268	131 827				
Government - capital	56 490	81 444	113 444	127 881				
Interest	18 288	16 760	17 148	14 104				
Dividends	0	0	0	0				
	Payments							
Suppliers and employees	(728 050)	(803 968)	(891 784)	(775 526)				
Finance charges	(57 217)	(54 028)	(54 420)	(55 451)				
Transfers and Grants	(1 188)	(2 011)	(1 473)	(1 520)				
Net cash from/(used) operating activities	126 537	175 073	111 505	200 011				
Cash flows f	rom investing ac	tivities						
	Receipts							
Proceeds on disposal of PPE	149	7 859	4 000	330				
Decrease (Increase) in non-current debtors	0	0	0	0				
Decrease (increase) other non-current receivables	243	6 982	1 982	774				
Decrease (increase) in non-current investments	0	0	0	0				
	Payments							
Capital assets	(109 998)	(150 922)	(153 373)	(119 296)				
Net cash from/(used) investing activities	(109 606)	(136 081)	(147 391)	(118 191)				
Cash flows fi	rom financing ac	tivities						
	Receipts							
Short term loans	0	0	0	0				
Borrowing long term/refinancing	0	10 650	5 350	0				
	Payments							
Repayment of borrowing	(30 526)	(32 557)	(32 557)	(33 843)				
Net cash from/(used) financing activities	(30 526)	(21 907)	(27 207)	(33 843)				
Net increase/ (decrease) in cash held	(13 596)	17 085	(63 093)	47 976				
Cash/cash equivalents at the year begin:	232 497	218 901	218 901	218 901				
Cash/cash equivalents at the year-end:	218 901	235 986	155 808	266 877				

Table 243:

Cash flow



# 5.11 Gross Outstanding Debtors per Service

	Rates	Trading services	Economic services	Housing	Other	Total	
Financial year	Rates	(Electricity and Water)	(Sanitation and Refuse)	rentals	Other	Total	
	R'000						
2011/12	16 886	46 355	18 161	235	5 661	87 298	
2012/13	23 640	36 283	7 581	26	5 650	73 180	
Difference	6 754	(10 073)	(10 580)	(209)	(11)	(14 119)	
% growth year on year	40	-22	-58	-89	0	-16	

Table 244:

Gross outstanding debtors per service

Note: Figures exclude provision for bad debt.

### 5.12 Total Debtors Age Analysis

Financial year	Less than 30 days	Between 30-60 days	Between 60-90 days	More than 90 days	Total
			R'000		
2011/12	35 964	2 136	2 234	46 965	87 298
2012/13	28 199	3 087	2 401	39 492	73 180
Difference	(7 765)	952	168	(7 473)	(14 119)
% growth year on year	-22	45	8	-16	-16

Table 245:

Service debtor age analysis

Note: Figures exclude provision for bad debt

### 5.13 Borrowing and Investments

#### 5.13.1 Actual Borrowings

Instrument	2011/12	2012/13
	R'000	
Long-Term Loans (annuity/reducing balance)	520 877	487 034
Total	520 877	487 034

Table 246:

**Actual Borrowings** 



## 5.13.2 Municipal Investments

	2011/12	2012/13
Investment type	Actual	Actual
	R'000	R'000
Securities - National Government	0	0
Listed Corporate Bonds	0	0
Deposits – Bank	218 880	266 877
Deposits - Public Investment Commissioners	0	0
Deposits - Corporation for Public Deposits	0	0
Bankers Acceptance Certificates	0	0
Negotiable Certificates of Deposit - Banks	0	0
Guaranteed Endowment Policies (sinking)	0	0
Repurchase Agreements - Banks	0	0
Municipal Bonds	0	0
Other	0	0
Total	218 880	266 877

Table 247:

**Municipal Investments** 

# 5.13.3 Grants Made by the Municipality: 2012/13

Description	Value 2012/13 R'000
Bursary Grants	104
Festivals	150
Merit Grants and Donations	108
SPCA	1 158

Table 248:

Grants made by municipality



# Chapter 6: Auditor General Audit Findings

# Component A: Auditor-General Opinion 2011/12

# 6.1 Auditor General Reports 2011/12

Auditor-General Report on Financial Performance 2011/12	
Audit Report Status:	Unqualified – Clean Audit

Table 249:

AG Report on Financial Performance 2011/12

# Component B: Auditor-General Opinion 2012/13

# 6.2 Auditor General Reports 2012/13

Auditor-General Report on Financial Performance 2012/13		
Audit Report Status:		Unqualified – Clean Audit

Table 250:

AG Report on Financial Performance 2012/13



#### LIST OF ABBREVIATIONS

AG Auditor-General

GEO George Municipality
CAPEX Capital Expenditure

**CBP** Community Based Planning

**CFO** Chief Financial Officer

**DWAF** Department of Water Affairs and Forestry

**EE** Employment Equity

GRAP Generally Recognised Accounting Practice

HR Human Resources

**IDP** Integrated Development Plan

IFRS International Financial Reporting Standards

IMFO Institute for Municipal Finance Officers

**KPA** Key Performance Area

**KPI** Key Performance Indicator

**LED** Local Economic Development

MAYCO Executive Mayoral Committee

MFMA Municipal Finance Management Act (Act No. 56 of 2003)

MIG Municipal Infrastructure Grant

MM Municipal Manager

MSA Municipal Systems Act No. 32 of 2000

NGO Non-governmental organisation

NT National Treasury

**OPEX** Operating expenditure

PMS Performance Management System

PT Provincial Treasury

SALGA South African Local Government Organisation

SAMDI South African Management Development Institute

SCM Supply Chain Management

**SDBIP** Service Delivery and Budget Implementation Plan

**SDF** Spatial Development Framework

**PPP** Public Private Partnership

Annexure A: Financial Statements



Annexure B: Report of the Auditor General



Annexure C: Report of the Performance Audit Committee

